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SIGNIFICANT MORAL POWER

— An Extract from President Tito's Speech in Skopje —

On November 13 President Tito opened to traffic a new section of the Ljubljana-Djevdjelija highway, from Grdelica to Skopje, 138 kilometers long, which was built by about 50,000 young people in six months in 1961. At the big meeting held on this occasion in Skopje, which celebrated the seventeenth anniversary of its liberation on the same day, President Tito made a speech before more than 200,000 people. In its first part President Tito dealt with some problems of economic development, worker's self-management, foreign trade and agriculture, and then he spoke about important international questions. We are publishing this part of his speech unabridged.

ALLOW me now to say a few words about the problems of foreign policy which must interest us, and which have always been of great interest to us, since Yugoslavia cannot live by herself on this globe. The world is becoming smaller and smaller, everything is closely connected, and we are greatly interested in whether peace will be preserved or a new catastrophe will follow.

You know that this autumn we had a meeting of the heads of state and government of twenty-five non-aligned countries in Belgrade, which was also attended by observers from certain countries. What was the reason which compelled us to hold this meeting in Belgrade, to which came the heads of state and government of so many countries, some of which are quite remote? We met in order to see where the present international situation was leading us, and to

discuss what should be done to prevent the worst. We held that meeting to express calmly and clearly the wishes and the will of eight hundred million inhabitants of these countries. It is true that we have the United Nations, but there, up till now, and particularly in former years, it has been difficult to express the will of the peoples of these countries, or that of their representatives. Their votes were lost there thanks to various machinations; and the aspirations and wishes of the peoples of our countries could not come to expression in the United Nations up till now; the unity of the non-aligned countries was split by various machinations, and efforts were made to use their votes as bloc reserves. This is why we considered it necessary to hold such a conference as was convened in Belgrade.

At the Belgrade Conference of non-aligned coun-

tries a unanimous stand was reached on all essential questions, and there was a difference in views only on a few problems which are not of primary importance. As regards the most important questions concerned with peace and war, the conference was unanimous. Owing to this, the Belgrade Conference was welcomed throughout the peaceloving world, and particularly in the countries which are not aligned, which are still outside this group, but with which they will be marching side by side tomorrow, and with which they are already going today, in spite of every attempt to split the world into two blocs and to plunge it into catastrophe. The resolutions of the Belgrade conference were received with great enthusiasm and the greatest hope all over the world. Even those who were against this conference did not deny its constructive result and success. At the Sixteenth General Assembly of the United Nations it was proved how well it was that we had this meeting. At this Session the non-aligned countries, particularly those that had been represented in Belgrade, acted in unison concerning the most important problems.

The problem of the election of the new Secretary General of the United Nations and his assistants was not solved from above, but under the influence and pressure of the non-aligned countries, precisely because the representatives of these countries found that this problem should be solved in such a way. This is undoubtedly, a great success, for what would have happened if the United Nations had been paralyzed in its work? Would there not have been to fear that it might fall asunder at last?

The Markets which are Closed now are Discriminatory towards all Countries

The non-aligned countries are playing an increasingly important role in many other questions too. For them it is not only important to act in unison politically, but also to engage themselves to an increasing extent in the solution of economic and other questions. In this regard, too, the necessary stand has been taken.

What is the situation today concerning the solution of economic problems in the world? In the West there is the European Market as a closed circle, in the East there is the Council for Reciprocal Economic Assistance as a separate economic group — which means that in fact we have regionally encircled bloc units. But how are matters in the countries and peoples that are outside these blocs? If we looked upon this problem in a passive way and only waited for what is to come, we and all the countries which are outside these economic circles or blocs might have tremendous difficulties.

There would be pressure exerted on each individual country through prices and otherwise, with the aim of making our countries dependent, like semi-colonies. But we wish to avoid such a situation, not by forcing our way into these closed circles, but by launching a broad action on the part of the non-aligned countries — African, Asian and European — to discuss what should be done lest the economic situation, which is very dangerous should deteriorate to the detriment of the countries not belonging to any bloc. Thus, the course and actions of the future policy of the non-aligned countries are directed not only along political lines but also along economic ones. We have many opportunities for mutual cooperation and we can, if we agree, achieve exchanges which will be very

useful for every country, without discrimination. But the markets which are closed now are, in actual fact, discriminatory towards all other countries. Hence, this field presents us with one of the tasks of the non-aligned countries.

Economic Pressure on Non-Aligned Countries

A further and most important task of the non-aligned countries is to persist in combating all war-mongering attempts, and to prevent things from going from bad to worse. The day after the Conference they began to realize in the West that it was dangerous for them, since they would lose the reserves which they had counted on as a stop-gap in case of need. That is why they said that twenty-five or twenty-seven poor countries had met in Belgrade — this was actually one of their comments. It is true that we have no atomic bombs! But we have ethics and we have moral power, for we represent a huge part of mankind; and not only those who are outside the blocs, but also those people in the bloc countries that are against war, for they, too, are on our side. And this is a great moral force, which must be taken into account and which exists in spite of the vituperative slanders they heap on us, and the pressure they exert on certain countries. Since the Belgrade Conference pressure has been made in various ways, including economically, on individual countries that participated in the Belgrade Conference, with a view to splitting the unity of the non-aligned countries, both of those that attended the conference and those that joined them later. I am not going to name here all the countries put under pressure, nor to say in what way it was exerted for that is not difficult to guess. But I may say that pressure is also being exerted on us, on Yugoslavia, and that it is economic pressure.

We Wish to have Normal Relations with America just as with all other Countries

I very much regret to have to state that in America a certain circle of capitalists and other reactionary-minded people are conducting a persistent campaign against Yugoslavia, putting forward the view that all assistance to Yugoslavia should be discontinued, that the Yugoslavs should not be fed, that no wheat should be sold to our country, nor aeroplanes given to it, that our people should not be received there etc. In a world, we are being put under economic pressure at a time when our country has been severely hit by drought, and when it finds itself in a rather difficult situation. Well, we agree that we should not be granted aid, but why should we not reach an understanding on the purchase of wheat and other commodities in different manner, but on an equal footing. We are buying wheat in various countries, and we shall buy it even though we do not obtain a single grain from America. We must obtain wheat, for we shall not allow our people to starve. We shall naturally take certain economical measures, but we shall not go without. We ask to be given what we need in the form of credit, on a commercial basis, and not as aid. In recent years we have not had such relations on the basis of unilateral assistance, but rather on a credit basis, and in various other ways. We have not received aeroplanes gratis — why are they reproaching us for having them?

We shall not take this pressure into consideration. But why is it being made? Because in my speech at the Belgrade Conference I spoke clearly and articula-

tely about all international problems, as we think and as we have talked and written about them for a number of years. I did not say anything new: I only pointed out where the causes of the danger of war lie etc. I did not speak against any country, but I did speak against injustice, which can lead mankind to the brink of ruin. I spoke about this and, like every citizen of our country I shall speak about it in the future too, for this is a matter of vital importance to us, and concerns our life and our existence in general. I shall speak, I repeat, clearly and articulately, about everything as it is really, in the future too.

Have we otherwise anything against the American people? We have not. We received substantial assistance from the American people when we were in great need of it. We received it and we thank them for it. But this time too, we shall not deviate from our principles, regardless of whether we receive aid from America or not: not free assistance, but credit, with the obligation to return it in money. We wish to cooperate with them both on a commercial basis and concerning economic problems in general, and to have normal relations, as one state with another state. Such is our attitude towards all countries, and we wish it to be so with America too, and it is up to them to decide what attitude they will take towards us.

It goes without saying that their unjustified attitude towards us might give rise to great bitterness among our citizens; which is absolutely unnecessary, for we wish for peace, and we wish to cooperate both with them and with other countries, regardless of social systems, but we are against any interference of one country with the internal affairs of another. These are the principles to which we adhere firmly, and to which we shall adhere firmly in the future.

How is the world situation at present? Sometimes the barometer seems to have gone up a little, and the atmosphere to be not so clouded, especially in the United Nations at present and particularly in connection with the latest proposals made by Khrushchev in connection with Berlin and other problems. It might be said that this is a favourable indication, which should not be ignored in the West. It should be considered seriously, for it is very important to solve these questions peacefully. But, you see, even these constructive proposals are opposed by certain people, in France and some other countries, who reject everything *a priori*. They do not want to hear anything about it. There is a certain amount of calculation in all this. The strained situation may serve somebody to carry out some business of his own, and to achieve his selfish and not quite equitable ends. Irrespective of what may follow, the fact remains that this may endanger peace in the world.

Those who Are Arming West Germany Do not Think of What Will Happen "When the Devil is Let Loose"

Let us take the problem of West Germany. We were attacked in America because we supported the recognition of East Germany at the Belgrade Conference. This, however, is not a new attitude, but our old one. I repeat today that it is fortunate there are two Germanys and it is fortunate that there is not only such a Germany as the West Germany of today, where people who fought against the cruel invaders in our country during the war are arrested. They recently arrested one of our men who went there on business. The arrest of Vračarić is not only a petty provocation, or the expression of the views of various fascist ele-

ment. It is, in fact, something deeper than the action of an individual or a small group: it came from Bonn, because they knew all about it. But there is something much deeper — they wished to make this case a legal precedent so that they could take mass revenge on those who defended their own countries with their blood and their lives. This is revanchism! This is their policy! This is their essence; but those people in the West who are arming West Germany with atomic weapons and all other arms refuse to realize it, because they will not think of what will happen tomorrow "when the devil is let loose".

Such symptoms as this show the spirit which has already become manifest in West Germany today, and which is increasingly making itself felt — a spirit which might one day endanger world peace, and bring about disaster.

We Want a Germany that Will Cooperate with other Peoples

In connection with the case I have mentioned they are searching through the legal rules to prove that they are right, for they say that our comrade who shot at the German soldiers was not wearing a uniform but civilian clothes. But what uniforms did we have at that time? They could come after me too, for the same reason, because, like many of our people, I was not in uniform then. There was a warrant out against me too, with a price on my head of a hundred thousand gold Reichsmarks Well, this is nonsense, but the point is that those in Bonn as well as those in the West who are of the same mind have come forward prematurely. It is nonsense, but it cannot be denied that such is the spirit pervading there. We are afraid of such a Germany, and we shall not fail to struggle against such Germany. We shall never allow a situation to arise in which we are again forced to defend our soil and our lives from the invasion of German soldiers and fascists. That is why I say it is fortunate that there is at least a part, though unfortunately a small one, that is built on a democratic base and has no revanchist tendencies. Yes, we are for a unified Germany, but of what kind? We wish the German people to be unified in order to be their own masters in their own country, but we do not want a militarist Germany, nor do we want a reactionary, fascist Germany to hang over mankind like the sword of Damocles; but we do want a democratic and progressive Germany, which will cooperate with other countries and peoples on an equal basis.

We should welcome such a Germany. But as our Western allies of the last war, in spite of their experience of the First World War, do not want such a Germany, but an armed one, nobody has the right to wish us to accept this policy, because this policy cost us 1,700,000 victims in the past, during the last war. They want to lay the blame on us, because we fought against them in civilian clothes, which is not permitted in the rules they are searching for. But does any convention mention the slaughtering and shooting of our children and our people, like the shooting of 7,000, and many times 7,000, not only at Kragujevac and Kraljevo, but in so many other places of our country? Is anything about this mentioned in the Hague Convention or in any other one? Is there approval for such killing and destroying of people anywhere, or are they not covered by such clauses? They are mistaken if they think the world is blind to it. This is why I consider that our allies from

the last war are rendering a disservice to mankind by taking the course of arming and creating a militarist Germany, instead of adhering consistently to the principle that all remnants of fascism, which inflicted such great suffering on mankind and destroyed so many human lives, should be finally and completely eradicated. If this way had been taken, and it would have been easy to do so, it would have been possible gradually to create a peaceloving and democratic Germany.

This is why we consider today that our stand concerning Germany cannot be different from that of the Soviet Union. The Russian people, and the peoples of the Soviet Union in general, endured terrible evils, just as our peoples, the Polish people and others did, and thus it is comprehensible that our views on this problem should be identical. This is our stand as far as Germany is concerned, and we are not going to declare now that we look on this question in the same way as the West does, only because the Soviet Union has taken such a stand too. They cannot expect this from us. That is how things stand now regarding problem of Germany.

The Significance of the Twenty-Second Congress of the Communist Party of the Soviet Union

Now I should like to comment briefly on the Twenty-Second Congress of the Communist Party of the Soviet Union, which finished its work a few days ago. We followed attentively the work of this Congress, read what concerned us and saw where we were attacked, but we took it calmly. We do not agree, but we do not dramatize these attacks, for they often attack us, and I do not know when they will stop. It would be much better if there were less of it. But we also saw in the work of the Congress a constructive course, which has already begun to be reflected in the further development, not only of the Soviet Union, but of other socialist countries too. So I think that this Congress has and will have great significance in the further advance towards a really democratic and progressive movement, not only in the Soviet Union, but in the rest of the world in general.

I cannot now enter into problems of an economic character, I cannot speak about the prospects for the development of communism and its achievement in this year or that. I do not even want to do so, for this is a matter demanding study. I can only say that we welcome the course taken at the Twenty-Second Congress.

It appears, unfortunately, that there were also people at this Congress who adhered firmly to the old, Stalinist policy, as was the case with the members of the delegation of the Chinese party and the delegations of some other Asian parties. I do not want to enter into whether there is anything between the Soviet Union and China, or what it is, but it is clear to me that I can never agree and that none of us would agree with the opinion that the stand taken by the Chinese is constructive, that is to say that it is necessary that the Stalinist course should be resumed, not only in the Soviet Union but also in the other countries which follow the way of socialist development. Such a course would not only cause great damage to the Soviet Union and other socialist countries, but it would do more than that — it would affect the general pace of development of socialism in the world, and the development of socialist thought. Thus we cannot agree with such a policy or course.

Another thing which we have ascertained is that it was the Chinese Party which took such an unbelievably slanderous and sharp attitude against our Party and our country at the Congress. Not only that, but as far as the Albanian Party is concerned — a party whose leaders constantly acted provocatively between them, and are still acting in this way — we see that it and Enver Hoxha represent the Chinese Party in this part of Europe, and are trumpeting abroad untruths about us. The Chinese-Albanian speech read by a certain Enver Hoxha or whatever his name is, on the occasion of the twentieth anniversary of the foundation of the Albanian Party, teemed with slanders against our country and was full of inventions about the alleged danger with which we are threatening them: in a word, it had such contents as to make one wonder whether there is something behind it, and what is intended by it: is it provocation against our country? We know that similar things were done in Stalin's time, when we were subjected to provocations. So I say that the Albanian leaders are a great danger to peace in this part of the world, and that the Chinese leaders are doing mankind a bad turn if they want to create, through such unscrupulous leaders as Enver Hoxha, Shehu and others, a new focus of war-danger in this part of the world, and to quarrel through us with the leaders of the Soviet Union because of the progressive course being taken there.

We believe that part of what they say refers to us, but part refers to the comrades in Moscow, to Khrushchev and others. But we must be vigilant and not allow any country, and consequently not Albania either — country very badly guided by its leaders — to disturb the peace here in the Balkans, or lead us into conflict. We wish the Albanian people all the best; we have nothing against them; we have never wished to subjugate the Albanian people; we have never intended to demand the incorporation by force, or anything else, of the Albanian people; on the contrary, we refused this when it was proposed by Stalin. We refused it since it would have violated the principle of the self-determination of peoples. No; we wished the Albanian people a better fate than they have now or will have, as long as they are guided by Enver Hoxha, Shehu and others. We should like to see the shedding of blood and the killing of the innocent and the best of the Albanian people stopped, and we shall never be able to hold out our hand to such people as Enver Hoxha, Shehu and others, whose hands are up to the elbows in the blood of the best sons of the Albanian people, such as Kotshi Dzodze and others whom we helped to found the Albanian Party. We shall never do that, but we shall always keep our hand stretched out in our relations with the Albanian people and we shall say to them: We are neighbours, we wish to have the best relations with you, and there are no obstacles to friendship between our peoples. This is our policy towards Albania.

As I said a little while ago, there is much trouble in the world: there are many sensitive points and many kinds of pressure: the situation in Africa is not the best, and in Angola blood is still being shed. Portugal is sending the arms received under the Atlantic Pact to kill innocent people and burn villages. Asia is being exposed to danger too — even Cambodia, one of the most peaceloving countries, which wishes nothing but peace and peaceful cooperation with all countries. The situation in Laos is likewise grave. In

Latin America the progressive forces want to get rid of the old, reactionary and mercenary governors, and to pursue a progressive course, but they are impeded from outside and other solutions are imposed on them. In a word, the outlook in the world today is not in the least cheerful. In many places the situation is becoming still more strained, but here and there a ray of light appears, which shows that peace can still be

saved. To succeed in this it is necessary to make the utmost efforts in one's power. This is our task too, and Yugoslavia must play her role; and the Asian, African and other countries believe in our country, because she has good intentions. Our people do not wish ill to anyone, they wish good luck to everybody; they wish to help where they can, and as much as they can.

CURRENT TOPICS

NON-ALIGNED COUNTRIES, THE U. N., AND NUCLEAR EXPLOSIONS

By Leo MATES

THIS year's meeting of the United Nations succeeds the Belgrade Conference of Non-Aligned Countries. The results and role of the Belgrade Conference cannot, of course, be judged exclusively in the light of the present meeting of the United Nations, since the aims and the platform defined in Belgrade are more farreaching than those of a meeting of the United Nations, and apart from this, the meeting itself is still in progress and many crucial problems have not yet been brought up. But on the other hand, it is not accidental that the Belgrade Conference was convened so shortly before the meeting in New York. The non-aligned countries have always considered the United Nations to be one of the most important theatres of international activity an essential instrument in international development.

It is thus clear that the activity of the non-aligned countries at this year's meeting of the General Assembly, and the implementation of some of the statements of the Belgrade Declaration, provide a notable opportunity for ascertaining the initial results of the Belgrade Conference. But it is necessary first of all to indicate that the basic idea which inspired the initiators and delegates of the Belgrade Conference, that is to say, the need for the non-aligned countries to act independently and on their own initiative in tackling any major world issue without waiting for the attitude of the powers engaged in the cold war to be made known, and without adjusting their own attitudes to make them fit in with the cold war controversies, has indeed been consistently applied in the course of the present meeting of the General Assembly. In other words, the non-aligned countries consider that the United Nations, as a world forum, must not be used as a theatre of the cold war.

The non-aligned countries achieved notable successes even in earlier years, particularly during last year's meeting of the General Assembly. This year, however, non-alignment has asserted itself more strongly and effectively than ever before, and the direct impact of the Belgrade Conference in this respect is unquestionable. The policy of non-alignment has proved a powerful, indeed, a decisive factor during discussions, and the adoption of resolutions on a number of important problems, ranging from the election of Hammarskjold's

successor, nuclear explosions and radiation, to economic and colonial issues. As a matter of fact, past experience has shown that there are many issues on which it is no longer possible to ignore the attitude of the non-aligned countries, and that the most important resolutions are passed by the vast majority of the votes of non-aligned countries which, on a number of matters, act jointly with countries which were not represented at the Belgrade Conference. When the moratorium on nuclear test explosions was being discussed, this majority included nearly three-quarters of the UN members despite the resistance and opposing votes of the bloc powers. No doubt this constitutes a great advance since the time, not so long ago, when it was inconceivable for any resolution to be passed in the UN against the will of the great powers.

This large-scale non-aligned support for particular actions, including support of the implementation of particular statements of the Belgrade Declaration, shows the incorrectness of the forecast, that it was impossible for a meeting as "heterogeneous" as the Belgrade Conference to produce any serious action or results. This reasoning was based on the view that the aim of the Conference in Belgrade was to create, if not a new bloc, a new group or faction in international political life. Such an outlook on international relations, resulting from bloc customs, disregarded what was essential in Belgrade, and what has already been manifested in New York — the definition of a broad and constructive platform which will unite all countries willing to make active efforts for the relaxation of tension and for a progressive and peaceful settlement of individual, if not world problems. The Declaration was, accordingly, addressed to all those willing to accept it, either in its entirety or on certain matters, and therefore it is not a document of a closed faction or club of states. In brief, the aim of the Conference was not the affirmation of the Conference itself but the affirmation of the policy expressed in its Declaration. This policy has already manifestly asserted itself at this year's meeting of the United Nations; and this, so shortly after the Belgrade Conference, is an unquestionable proof, not only of the correctness of its platform, but of its success.

This, of course, does not mean that there should be any illusion that it is possible in the contemporary world to settle something merely by collecting an impressive number of votes in the United Nations. Such belief would certainly be very naive, and to exemplify this one need only recall the question of nuclear test explosions. But it would be equally wrong to consider that temporary failure makes such efforts and results futile. It would be utterly shortsighted to deny the importance of the non-aligned countries in international life by the simple argument that they lack material strength and war potential to match the strength of the great powers and, accordingly, that they are an important factor in international developments. Such an overestimation of the material factor of strength and power is unjustified if only for the simple reason that even opposition on the part of the mighty great powers has failed to bring about a suspension of the recent nuclear experiments.

The non-aligned countries, of course, have no large resources, extensive economic possibilities or military potential. They primarily act as a moral-political factor, although in some matters one should not disregard completely some other components of their impact on international developments. The underrating of the moral-political factor is rather the fashion today, especially in quarters which often rely on force in international relations. But it should be noted that, in spite of the impressive growth of the strength of the big powers, their overall and persistent endeavours to check development towards the liberation of colonies and parallel with this, the expansion and strengthening of the non-aligned world, have failed.

Attempts are being made today, at least in some cases, to present the liberation of the colonial peoples as a voluntary concession on the part of the colonizers, although the entire course of the anti-colonial struggle and the experience of the newly-liberated countries shows the contrary. Certain concessions here and there, preceding the flare-up of mass armed struggle is no sign of goodwill, but at the best, an acknowledgement of the reality of the imminent defeat and, consequently, may in some cases indicate a correct assessment of a given situation, but by no means a voluntary granting of independence.

The expansion and strengthening of the non-aligned world which, from a limited area wedged in between the two blocs, has grown in fifteen years to embrace wide areas of the world and an increasing number of independent countries, even more clearly manifests the material strength of the policy of non-alignment. It would be wrong, however, to view the policy of non-alignment merely through the geographical aspect of established states. It is like any other social-political movement, and neither the non-aligned conception of international relations, nor the policy developed on this conception, can be viewed in this way. Components of the non-aligned world are the liberation movements of the people in the colonies who are still fighting for their liberation, and the progressive social and political factors in all countries which are opposed to the cold war and the division of the world into blocs.

It is quite understandable that the results of the policy of non-alignment regarding some questions, particularly the most important question of the cold war and the eradication of colonialism, cannot be measured from day to day. It is characteristic of moral-political factors to act gradually, contributing to the maturing of conditions for the achievement of tangible results. In this respect too, the post-war history of the libe-

ration of colonies, and the affirmation of the policy of non-alignment in individual countries, provides sufficient material for study and for drawing conclusions. The realization of the conception on which the policy of non-alignment and the anti-colonial movement are based does not depend on the strength and might of states, but on the degree of co-ordination of this conception with the aspirations for which the peoples of the world are willing to fight, on the strength of their political, economic and, above all, social experiences. This means that a policy which does not rely on the force or might of a state can only succeed if it aims at what must eventually be accomplished. This, however, does not minimize its significance and need for activity, but it should serve as a moral to those who oppose it.

During the discussion on nuclear experiments, the prolonged negative attitude towards a moratorium of precisely those powers which are able to carry out these tests gives rise to understandable apprehension, but in the light of general post-war international political development, it does not justify despair or alarm. Nuclear weapons are the dominant feature in the problem of armament and, accordingly, in the problem of disarmament. Armament as well as disarmament, both as regards their origin and in view of their consequences, occupy a central place in cold war and power politics, for the latter, both in essence and by its manifestations, is a policy of reliance on force, and force in international relations primarily means arms. Whether individual nuclear test explosions from the military point of view or that of inventing more perfect arms, are necessary or not, is hard to ascertain without possessing the required technical knowledge. Much has been said and written, for and against, on this subject, but the value of all these surmises is, to say the least of it, highly questionable. This is best illustrated by the fact that views on these questions are, in different situations, easily abandoned and substituted for opposing ones. From this aspect, it is reasonable only to discuss whether it is politically sensible to resume the competition in the destructive power of weapons over an indefinite period of time, and not isolated acts by one or the other side.

The earth's surface and the ability of the human organism to survive are limited, and there undoubtedly exists a degree of destruction capable of destroying the destroyer himself. There is no reason to doubt the authoratative statements of the scientists that the existing destructive potential has already exceeded this degree by a considerable extent. There is equally no reason to doubt statements by responsible statesmen on the disastrous effects of a nuclear war. Consequently, the aim of the arms race can no longer be victory in a future war, but pressure in the political conflict. In such a non-war or pre-war application of arms as a threat, a precise appraisal of the effectiveness of the arms, or differences in the degree of their effectiveness, have no importance, and even notable differences in the degree of perfection lose their classical meaning of military supremacy.

From the military-political and indeed from the international-political point of view, explosions as a technical process obviously cannot be logically defended. Politically, they may have meaning though not justification — meaning only as a political gesture of disregarding the efforts of those opposing them. This, of course, is nothing new and it refers to all nuclear experiments of any kind, ever since a balance was

established in the ability of comprehensive destruction and annihilation. The problem of nuclear experiments falls within the scope of the policy of force, and it was approached as such in the United Nations, where the non-aligned countries adopted a resolute stand. More important than the political aspect of this question, however, is that of the immediate detrimental effect of these explosions, primarily through increasing radio-active fallout in the atmosphere. Scientists assert that any freeing of nuclear energy, even that controlled in reactors, constitutes a certain problem, and this refers particularly to explosions — regardless of where and in what way they are staged. Doctors advise us today not to expose ourselves unnecessarily to X-ray examinations, yet the atmosphere is being filled with radio-active particles which the winds disperse all over the earth.

The energetic demand of the non-aligned countries for the immediate suspension of all nuclear explosions primarily derives from the political and medical appraisal of the explosions, and the assessment that negoti-

ations and agreement on either a controlled prohibition of explosions, or general disarmament, should not prevent the establishment of a moratorium as the first urgent measure. Regardless of the attitude of the great powers, it is hard to believe that a resolution of the General Assembly would fail to halt any tendency to jeopardize the fundamental political and health interests of mankind. Obviation of the need for a moratorium as a result of agreement having been reached before any new series of explosions would certainly be the best solution, although the non-aligned countries believe, on the basis of a realistic assessment, that agreement will not be achieved so soon. The result of the voting in New York has in any case shown that further efforts are required in the struggle against nuclear experiments.

This and other examples clearly show that the activity of the non-aligned countries on the international stage will have to be continued, through the evolution of the international situation, over a considerable period.

THE CASE OF VRAČARIĆ

THE recent arrest and interrogation of Lazar Vračarić a partisan fighter, by the West German authorities in Munich caused, understandably, a wave of indignation throughout the world, and particularly in countries which took an active part in the struggle against Hitler. It is noteworthy that this illegal act of the West German authorities evoked bitter protests from both the East and the West. It was these protests, as well as the energetic action undertaken by the Yugoslav Government, which brought pressure to bear on the responsible West German officials and forced them to abandon the investigation, release Vračarić, and admit that the arrest had been an impermissible act.

The unreasonably delayed statements by the Bonn officials however, were by no means satisfactory. The fact that even well-meaning expressions of protest against this incident in most cases neglected the very essence of the matter, makes it necessary to recall some basic elements referring to it. In the case of Lazar Vračarić, reserve captain of the Yugoslav Army, it was clearly necessary to call attention to his wartime status as member of an organized force engaged in operations against the invaders, although it was hardly necessary to reffer to this fact in order to prove the illegitimacy of the act committed by the West German authorities.

Immediately after the capitulation of Hitler's Germany the Allies, for understandable reasons, deprived the German authorities of any right to legal prosecution of members of the armed forces and civilians of the Allied countries. The fact that civilians were included these provisions is understandable, since in many occupied countries during the last war, where there was resistance against the occupiers, it was impossible for individuals or even groups of people to set up organized groups of fighters or to join military units of the resistance movement.

These provisions further exempted from punish-

ment any such act which, in normal circumstances, would be regarded as a criminal offence. This is explained by the fact that members of the resistance movement in the occupied countries did not choose their methods of inflicting damage on the enemy or of obstructing and suppressing the criminal activity of the invaders. These methods included destruction of any kind of property used by the invaders, disobedience of orders issued by them the performance of acts of sabotage, etc. Apart from this, the Allies obviously wished to protect the fighters against Hitlerism from being summoned at some future time as criminals to account for their past millitary or political deeds. The assumption that this might happen has now proved well-founded in the case of Lazar Vračarić.

Another element which calls for attention is Bonn's insistence that the whole incident was due to a blunder. This is obviously a pretext put forward to relieve the culprits of any responsibility or at least to reduce their responsibility. It is possible to assume that one or several officials through whose hands the document passed, failed to identify it with the original order for arrest dating from 1941 for an offence committed during the war — although even this is most improbable and that ignorance or negligence might be offered as an excuse, and somewhat reduce the responsibility. But it is utterly impossible that the authorities who decided on the renewal of the warrant in April and May this year could have been ignorant of the matter in hand, and there is indisputable evidence of the responsibility of these authorities, regardless of how complete a description of the details of the offence was contained in the documents on the strength of which the arrest was made.

The most serious case, of course, is that of the prosecutor, Gulden, and of those who co-operated with him. As is known from statements made by Vračarić, the facts themselves i. e., that during an attack

on German soldiers in Zagreb in 1941 he killed two of them, were never for a moment in dispute, and they should have been ascertained in the first place, during the first interrogation. Yet Vračarić remained in prison even after the basic facts had been unquestionably established, and the investigation was resumed on grounds of criminal procedure — apparently with the aim of trying him as a criminal. Moreover, brutal and entirely unjustified measures were taken against him: his letters to the Yugoslav Consultate were intercepted; he was not allowed to see his lawyer, he was kept in solitary confinement and handcuffed when taken to be interrogated, etc. Not all those who took part in the investigation can, therefore, be excused on the grounds of a blunder, negligence or a bureaucratic

mistake. Had Vračarić, indeed, been arrested by mistake — and this assumption is clearly most improbable, to say the least of it — the fact would still remain that by continuing to keep him in prison and interrogating him, the relevant authorities consciously committed a criminal offence. There can be no doubt that a criminal offence was also committed by all those who "transformed" Hitler's illegal document, i. e., a warrant from 1941, into a quasi-legal document of the Federal Republic of Germany, of 1961. It is in the interest of the German people themselves that the culprits should be punished, and measures taken to prevent such incidents in future, for fighters such as Vračarić also helped to free the German people from Hitlerism.

VIEWS AND OPINIONS

THE GERMAN PROBLEM AND THE RIGHT TO SELF-DETERMINATION

By L. ERVEN

A MONG the arguments in favour of the unification of Germany by ballot, the right of peoples to self-determination is emphasized, especially in West Germany. The right of peoples to self-determination, they say in this campaign, is considered today as one of the basic principles of the international community. It is recognized as the right of all nations and is implemented on a broad plane in the colonial territories. The German people should not be an exception to this. Those who have pledged themselves to the complete victory of the right of peoples to self-determination, but oppose its application in Germany, contradict themselves, which shows their political inconsistency.

It goes without saying that self-determination should be recognized as the right of all nations, including the German people, although there are not many examples in Germany's remote or recent history that she recognized this right in the case of other nations, when it was in her power to do so. But in order to apply this right in her case there are certain conditions, which will make it impossible to abuse this right, to be previously fulfilled. Moreover it is necessary to indicate in the case of the German problem where this right is applicable and where it is not.

In connection with this problem a confusion of ideas regarding its essence has been created, blurring the distinction between rights and duties. This confusion is due to the peculiar circumstances in which the problem arose and in which it is still treated. In West Germany, for instance, there is a growing tendency to forget how and why it arose. This is, in part, due to the big powers, who — guided by their wish to use the Germans in their own political manoeuvres — made them their allies before concluding a peace treaty with them, and before clarifying not only their own views on the German problem, but also their mutual interests in connection with it. This has recoiled on

the big powers today, since the German problem like a revengeful ghost, has burdened, damaged and complicated, the relations between those powers that conducted war against her. By shaping their policy towards Germany in the complex of bloc antagonism and of the whole entangled knot of East-West disputes and disagreement, the allies of West Germany have greatly contributed to strengthen various legal and international pretensions, in the atmosphere of Erhard's "economic miracle" and the West German alliance with the Atlantic Pact, as well as to burying in oblivion — at first slowly and then faster and faster — the origins of the war, what happened in it, and how it ended. The extent of this oblivion is shown by the case of Vračarić, a Yugoslav citizen, which, though probably unprecedented, is highly illustrative of the remains of a mentality which caused distress in the whole of Europe.

Ignoring all other elements of the German problem in general, and of its international significance in particular, and underrating the importance of the interests of other nations which are immediately concerned with its solution (their concern is, at least in part, to be laid to the charge of the Germans themselves), certain circles in West Germany claim the right to solve not only the question of unification (a right which is more or less undisputed) but — through this unification — all other questions which, though implied in the German problem, are not within the political competence of the leadership of the German nation.

In West Germany the conviction seems to be prevalent that the German problem is solely that of Germany's unification and that the most important task of world policy today is to reunite all Germans into one Germany, which — according to many forecasts — might turn into our old acquaintance from the past. This unification is considered, as the including of East Germany in West Germany, since other

wise it would not be desirable, in view of the numerical proportion of these two German states.

The problem of Germany is, however, not only that of the German people, nor is it only that of German unification, but it is also the problem of peace in Europe, the problem of the security of other peoples living as in the neighbourhood of Germany. We know that this neighbourhood has not always been secure. In fact it has seldom been secure. Hence the inclusion of the problem of security in the German problem is not only a factor in the elimination of war or a reasonable measure of caution. The past has shown that the German people have not always been able to remain masters of their own future or of the policy of their own country, and that certain features of their character rendered it possible for irresponsible adventurers to take over this policy. But a peace treaty, when concluded, is not made for a single generation, or with a single generation, but for the future (at least it is so presumed.) Thus, the solving of the German problem must include measures which will, if possible, prevent the taking-over of power in Germany by similar adventures in future.

Hence the solving of this implies not only the securing of the German nation's right to independence and self-government, but the question of the elimination of the possibility of war provoked by Germany, who has already caused devastation and suffering among many other nations. But the problem is more than that of the conclusion of a peace treaty, which is in fact already established, even though on a shaky foundation. It is the problem of how to ensure the lasting of this peace. It is not usual, nor has it ever occurred in history, that this problem should be solved by the defeated country by virtue of the right to self-determination. This is all the less reasonable as it is not so much a question of securing of this right for the people concerned, as the security of other nations. And this is neither a German question nor a matter of Germany's internal affairs. To put forward the principle of self-determination in this context is unjustified and illogical. Such questions should be solved by the countries against which Germany conducted war or in which she threatened peace and security.

The German problem, as well as that of European security, is complicated by the disagreement between the big powers. For this problem is also their problem, regardless of whether this is reasonable or not. The facts are so well known and have been so often discussed that it is not necessary to repeat them here. The fact that two German states exist would not, in itself, impede the solution of the German problem, if these two German states did not constitute two state structures with antagonistic political and social features, which are engaged in a personal conflict of policy, and also in the conflict of the big powers, on whom the liquidation of the German problem depends, both *de jure* and *de facto*. In the West the importance of this fact was long underrated, to the detriment of the interests of peace and the general German cause. But the existence of these two German states in the bloc system of international relations and the bloc balance of power does not allow even the presumption that it would be possible to solve the German problem by the unification of both parts in to one state, through voting or in some similar way. For this unification, which would automatically entail the extension of one of the two systems to the whole territory of Germany, would mean the loss of position

and the disturbance of balance in case of one of the partners, which neither is willing to accept. This international aspects of the German problem, and the difficulties it has raised, obviously have no connection with the domain of pure German competence, in which the right of nations to self-determination is effective.

In view of this situation, the right of the German people to self-determination cannot be exercised until the question of the international status of the German territories has been solved, and this status is the subject of a dispute between the big powers which defeated Germany. The German people cannot arbitrate in this dispute. Another obstacle which hinders the application of the right to self-determination is the lack of an integrated framework for this purpose. The basic controversy — from the technical point of view if not from the political one — upon which the whole question hinges concerns this framework, which cannot be established by agreement, but without which no ballot can be carried out. One partner rejects the possibility of the German people according to a uniform procedure on the whole territory of Germany, for this procedure would mean the covert annexion of the smaller state by the larger one. The other partner rejects any combination of consultations within the existing framework, for this procedure would imply the recognition of the existence of two German states.

Any consultation of the German people by a uniform procedure on the whole German territory would imply the denial of the existence of two German states, which is opposed both by the actual situation and by the will of one of the big powers concerned, whose approval is indispensable for the implementation of any consultation. Hence it is necessary (and logical) to establish the status of the German state by agreement of all the partner concerned, prior to considering any consultation of the German people on the future form and system of their national community. This agreement cannot be reached today, without some form of recognition of the existence of two German states. Then it should be left to time and to the Germans in these two states to find further bases and forms for their unity, and to choose the type of their community. For if the right to self-determination is understood as the right to outvoting, as implied by the Western conception, then in the prevailing conditions there is indeed no prospect, of this right being recognized. But to impose it by force is obviously impossible.

The assessment of the essence of this problem in its realistic aspects is not indicative of any inconsistency, unless consistency is understood as the stubborn ignoring of evident fact.

OUR CURRENT ACCOUNT

"THE REVIEW OF INTERNATIONAL AFFAIRS" HAS CURRENT ACCOUNT AT NATIONAL BANK AND IT READS

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INTERNAL DEVELOPMENT AND PROBLEMS OF THE U. A. R.

By Faik DIZDAREVIC

INTERNATIONAL development in the United Arab Republic; the sequestration of the property of some hundreds of the wealthiest families; the preparations for setting the National Union, as the only political organization, on a sound political basis; plans for the reform of the state apparatus; are obviously not the result of any single event, or of a calm interval, but of the steady and progressive evolution which began with the coup d'état of 1952, to continue with the nationalization of the Suez Company, the liquidation of foreign capital, and the present open conflict with the domestic bourgeoisie.

A phase of this evolution, and the essential cause of the present fermentation, was the introduction of this year's July laws, which particularly show the depth of the revolutionary course of the Nasser Government, as well as the problems which it is now solving.

I. By these laws all banks, and insurance companies, and forty-two commercial, industrial and transport companies which play an important role in the country's economy, have been nationalized. Furthermore, the state has deprived the capitalists of fifty per cent of their capital in nearly a hundred other leading companies. There is also a list of about two hundred major enterprises in which the state has limited the share of private capital. No private person may have more than ten thousand pounds in shares (the Egyptian pound is worth about two dollars.)

II. This is the first time in history for an Arabian country to introduce a progressive tax, which comes to more than ninety per cent on an annual income of over ten thousand pounds. At the same time heavy taxes, ranging from ten to forty per cent, are being levied on rents collected by those parasites who make their living by the houses they own. These landlords are bound to pay another twenty per cent of their income into a fund for the maintenance of the buildings. Another regulation lays down that managers of enterprises, and members of managing boards of public or private companies, are not allowed to have an annual income exceeding five thousand pounds, including all supplements.

III. Workers in all enterprises, private and public, are entitled to twenty-five per cent of the net earnings, of the enterprises, outside wages and salaries. Ten per cent is directly apportioned, five per cent goes to the social funds of the enterprises, and ten per cent to the central social funds. Besides this in every board of management (limited to seven members) the workers have two representatives (a worker and employee) elected by secret ballot.

IV. A new agrarian reform has been introduced, by which the maximum holding is reduced from 200 fedans to 100 (42 hectares). The beneficiaries of the first and second agrarian reforms (1952 and 1961) are charged only half the price of the land obtained.

Thus, the July laws have more or less liquidated the economic basis of the big bourgeoisie, and of a large section of the middle bourgeois classes, destroying at the same time the illusion of the possibility of cooperation with these groups. These laws have undoubtedly revolutionized the masses in both towns and villages and mitigated the glaring discrepancy between the rich and the poor. They also mark the end of the period of working with the big bourgeoisie: the nationalization of its property, once a sporadic measure of extreme necessity, has now become the rule. But the bourgeoisie reacted at once, and this was what triggered off events in Syria. For all these July laws, except the reduction of maximum land holding, were to have been applied in Syria too. The Egyptian bourgeoisie, which can always count on the active support of the pan-Arabian and international bourgeoisie, tried to profit from the developments in Syria, and to counteract the reforms by economic and other kinds of sabotage. This led to sequestration and other administrative and police measures against the big bourgeoisie in Egypt. Thus, developments in Syria only expedited the internal reforms, which have far deeper roots.

It has, however, become more manifest than ever that the successful implementation of the July laws and other reforms will primarily depend on the solution of political problems or, in other words, on the setting up of an adequate political organization in the country, and on the reform of the state apparatus. It is clear that the achievements which have already been attained may be endangered by adherence to the methods of the period of transition, in which management was exclusively administrative, and relied on the power of the state. It must be remembered that the groups which have been hit by the July reforms and the previous ones, had their strongholds in the organization of the National Union and the state apparatus.

In a way, the tragedy of such countries as Egypt lies in the fact that revolutionary changes took place in them without the aid of mass political organizations, which, had they existed, would probably have checked the course of events in Syria. In these countries a start had to be made from the beginning: the whole process resembled a reversed pyramid, and everything came from "above". At the same time, the necessity to cooperate during a certain period with "the national" capital entailed the paralysing of the National Union, a political organization founded two years ago. In the local and other committees of this organisation, the elements with which the state was coming more and more into conflict were predominant. Of the 30,000 members of the local committees of the National Union, the largest groups consisted of wealthy farmers, merchants, manufacturers and lawyers, while there were only 400 workers.

In the present situation, the reorganization of the National Union, with special emphasis on its social structure, is the first task to be carried out. Instead of being a conglomerate of all social groups and classes, without a clearly outlined programme, the National Union should now be open, as Nasser said, "to workers, peasants, intellectuals, craftsmen, and owners whose ownership is not founded on exploitation, to officers and soldiers to those who see the realization of their dreams in socialism."

With this aim in view, a programme will be prepared by the "Congress of National Forces" at the beginning of next year, to be attended by representatives of the mentioned social classes; and its task will be to assess the actual needs and tasks of the country, which at this juncture neither the National Union nor the state apparatus can do. On the basis of this all-national programme of revolutionary social action, new elections for the leadership of the National Union will be prepared. Excluding "exploiting, reactionary and conservative elements" in advance, by administrative measures if necessary, those elections are expected to ensure in the most democratic way that the National Union should be a representative as well as an active political organization. Not only will its social structure be changed, but it will constitute the starting-point for the solution of the problem of political cadres, which are at present lacking, but which are believed by the leaders of the U. A. R. to exist potentially among the people. Attempts to "create" cadres from above, and to rely on a narrow circle were unsuccessful, as was best indicated by Nasser in his speech held a month ago: "What depressed me most in the days of our great battles was the struggle for power and authority: I sensed egoism and selfishness, with deviation from the supreme aim of the masses, and care for purely personal interests."

Another item on the agenda is the reform of the

state apparatus, the second important problem facing the U. A. R. A huge, corrupt bureaucratic and inefficient state apparatus, which the revolutionary forces, for objective reasons, were unable to destroy in order to build a new one on its ruins, was inherited. This apparatus not only remains the stronghold of the wealthy classes and often even of foreign influence, but has become, as Nasser says, a burden and a brake on the revolution. It is therefore necessary to change radically the organization of the state, so as to make it an instrument of the revolutionary movement to serve the people, and not an instrument of "stagnation and isolation." In this regard, the law on the establishment of local authorities (for the first time in Egypt's history) was introduced two years ago, but it could not be consistently and effectively implemented, since there was no genuine political organization to control and direct the state apparatus. The new programme of re-organization is closely linked with the changes in the National Union, which should play an important role in the development of democracy and the struggle against corruption and bureaucracy; that is to day, in the reform of the state apparatus in general.

Both processes: the creation of a powerful political organization, and the adaptation of the state apparatus to the new situation, will require both time and effort, for both the backwardness of the country and the resistance of the reactionary elements, whether divested or not of their power in the National Union, in the state apparatus or elsewhere, must be taken into account. Besides this, in creating conditions conducive to the strengthening of the public sector, and in view of the role of the state in the economic life of the country, it will be indispensable to struggle against new centralist tendencies, even if they are to a certain extent inevitable in the present phase of UAR's internal development.

ECONOMIC PROBLEMS

GOLD AND FOREIGN CURRENCY CRISIS

By Djordje LADJEVIĆ

IN the past few months the world has been shaken by a serious monetary crisis. The international monetary system which developed after the war in accordance with the standards adopted at the 1922 Genoa Conference and adhered to for several years, crashed during the great economic crisis. After the Second World War, the gold and foreign currency system was restored, not because it satisfied theoretical demands for stability and durability (the experience of the 1930 proved the opposite), but because it was imposed by practical needs. The pound sterling was and remained the reserve currency in a large part of the world, since all the countries of the sterling area and the Commonwealth maintained large

deposits in London, which served as a guarantee for their currencies. The role of the dollar as a reserve currency was developing and gradually improving. At first, immediately after the war, the dollar was in great demand, since the world suffered from a dollar shortage which seemed unsurmountable. However, when the whole world was looking towards the economic strength of the United States, at a time when this country had been financing the economic reconstruction and development of the entire world and building a network of military bases and alliances on which billions of dollars were being spent, and was, at the same time, the only important exporter of private capital in the postwar world, this country had a

passive balance of payments. Owing to this, there was a considerable accumulation of dollar claims which belonged to various banks of issue and private businessmen in almost all the countries of the world. These dollar balances figured, parallel with the gold in the balances of the central banks, as part of their monetary reserves, and served not only as a necessary reserve for payments abroad, but (in the countries in which this regulation was still in force) for banknote circulation as well, i. e., as a credit basis. This meant that the same quantity of gold deposited in the United States in the Fort Knox safes, served as a credit basis for the United States itself, and for other countries which had dollar claims. In this way, a twofold dollar pyramid was built which, in the opinion of the orthodox economists such as the French politician Jacques Rueff, was a source of inflation, in the world and pregnant with danger to the monetary system.

It is a fact that the United States balance of payments in the period from January 1, 1951 to December 31, 1960, was down by 18.1 billion dollars. This fact, if not known, earlier, was revealed by President Kennedy in his State of the Union Message to Congress on February 6, 1961. Owing to the fact that the deficit in the balance of payments had not been made good from year to year by the transfer of gold, the United States gold reserves in this period fell from 22.8 to 17.5 billion dollars, which meant that this decrease amounted to only 5.3 billion dollars. This, however, resulted in increased U. S. debts abroad. As a result of this process, the United States became depositaries for the international payment reserves of other countries, i. e. central banks. In addition to this, foreign firms and private individuals preferred to keep liquid dollar assets, which enabled them to effect payments in all parts of the world, since the dollar is accepted everywhere. Another advantage secured by the central banks by keeping currency instead of gold was that currency balances abroad carry an interest rate, whereas this is not the case with gold.

The total world monetary reserves today amount to about 74 billion dollars, of which 40.5 billion dollars are in gold and 33.6 billion in United States currency. With the exception of the United States, whose monetary reserves until recently consisted exclusively of gold — which is understandable in view of the fact that the dollar may represent a reserve currency for other countries only, and not for the United States (from April 1961, the United States began to collect Swiss francs and other currencies) — the ratio between the gold and currency reserves of other countries in 1960 amounted to 48.5 percent, as compared to 51.5 percent, which means that the currency reserves were slightly higher. This proportion is not identical for all countries: while in Great Britain dollar reserves account only for 14 percent, the proportion in the European countries is 39 percent, in Canada 52 percent and in Latin America 55 percent. In the sterling area, however, the share of currency reserves in the total monetary reserves amounts to 90 percent (sterling claims). The share of the dollar reserves in the total world foreign currency reserves is 50 percent, the rest being made up by the pound sterling and other convertible currencies.

The role of monetary reserves in the field of international payments, in which, as we have seen, gold and the main currencies are almost equally represented, is to ensure the necessary level of international liquid assets, which in itself is a prerequisite for the

normal functioning of international trade. The proportion between monetary reserves and world imports is now less favourable than before the Second World War. But the focal point of this problem should not be sought in the fact that the total monetary reserves in the world are unfavourable in relation to the total imports, but in the irregular distribution of reserves between the most important regions in the world, i. e., in the concentration of reserves in the United States (gold) and Continental Europe (gold and dollars). However, the problem should not be considered in its static form. Far more significant than the present relationship between the level of monetary reserves in the world and the needs of international trade, is the problem of how to increase adequately the monetary reserves, so as to keep pace with the rate of increase in international trade. It is a common view that the influx of gold from the regions more or less controlled by the West (about 800 million dollars worth of gold production in these regions goes for monetary purposes) and the influx of gold from Soviet sales in London and on other Western gold markets (about 220 million dollars worth on the average in the course of the past few years) is not sufficient and that ways and means should be found to fill the world reserves by foreign exchange balances or by some other substitute for foreign currency claims.

It has been concluded that the system of the gold and foreign currency standard in the form in which it has existed so far is very favorable for the banks of issue, since the handling of foreign currency reserves is less complicated, and because foreign currency claims carry interest rates. The entire system is based on confidence in the two most outstanding currencies — the dollar and pound sterling — which, in the last resort, represents confidence in the strength of the American and British economies, and any loss of this confidence may lead to a crisis in the entire system. The paradox of the present situation lies in the fact that, owing to an insufficient inflow of fresh gold monetary reserves, the world stocks of monetary reserves should continue to be increased by claims in the main currencies, and especially in dollars, for the role of the pound sterling, although significant, is geographically delimited — whereas, on the other hand, it is becoming more and more obvious that the United States cannot continue to amass debts at the same rate, because of the pressure exerted by every short-term debt abroad on its own currency. Apart from this, the position of the main currencies has also deteriorated owing to the establishment of the main European convertible currencies towards the end of 1958, which again created favourable conditions for the flow of capital between the chief financial centres. The capital

deposited in a country possessing one of the main currencies ceases to be immobile over a longer period of time, but together with the capital of the country involved, it shows a tendency to flow to other centres if they give a higher interest rate. The flow of short-term capital, known as "hot money", is often caused by speculative motives, such as anticipated revaluation in other countries (German mark), or devaluation of a country's own currency. If, in addition to this, lack of confidence in the currency of a country which has considerable claims abroad is intensified by an unfavourable balance of payments, this may lead to very tense and dangerous conditions, which threaten not only the currency involved, but also the gold and currency system itself. The year 1960 was marked by a flow of capital from the United States to Great Bri-

tain, which at that time offered a higher interest rate and provided better prospects; to Germany, where the revaluation of the mark was expected; and to Switzerland, a country which enjoyed the greatest possible confidence. In 1961, the situation in the United States settled down to a certain degree, since President Kennedy's Administration displayed the determination and ability to stabilize the country's balance of payments. On the other hand, the deficit in Britain's balance of payments caused a tendency to abandon the pound sterling, countered only by the banks of issue which, under the Basel Agreement signed in the spring of 1961, put at Britain's disposal large credits in order to enable her to protect the pound. The International Monetary Fund followed suit in the summer of the same year by granting Britain a two-billion-dollar credit.

The fact that the stability of the reserve currencies can be endangered by talk kind of capital fluctuations, and the awareness that stability must inevitably be endangered one day if the country of the reserve currency concerned continues to get into debts at the same rate as in the past, led the well-known American monetary expert, Triffin, to propose that the International Monetary Fund should be transformed into an international bank, which would permanently finance its clients, and not only under the defined conditions prescribed by the Fund's present statute. According to this proposal, the reserves would gradually assume an international character, and this would put an end to the gold and currency standard, based on the main world currencies. The proposed reform of the Fund, elaborated three years ago by Maxwell Stamp, was inspired by similar conceptions, but it was of a more inflationary nature.

Jacques Rueff was most emphatic in criticizing the present gold and currency standard, and supported its liquidation, and a return to the traditional pure gold standard. The effects of this proposal would be far reaching for, by abolishing the gold and currency standard, the twofold credit pyramid would be upset, thus causing large-scale deflation in the world, similar to that of the 1930. Professor Harrold and Professor Heilperin of Britain and others, in their proposals for the reform of the International Monetary Fund and the gold and currency standard, suggested, among other things, that the price of gold should be increased by changing the present relationship between gold and the dollar (35 ounces of gold for one dollar), which was introduced in 1934. Since then, the price of almost all products has more or less doubled, while gold as a standard of value, has not increased as it should have in view of the world demand for gold as a means of international payments and a source of international financial stability.

None of the aforementioned proposals each of which comprises several alternatives, is likely to be adopted in the near future, although some of them are considered attractive and promising, even by some American circles. Stamp's and Triffin's plans, in some of their provisions, are favourable for the underdeveloped countries. The Fund Management, headed by Director Jacobson, holds, however, that these plans are too revolutionary. The most urgent problem before the Fund is to set up a mechanism which would enable it to extend assistance to the reserve currency countries at a time of intensified pressure on their currencies. The fate of the gold and currency standard, as well as that of the present settled situation in the Western world, depends on the stability of the reserve

currencies. This is why the Fund Management has adopted as the basis of its own plan (the so-called Jacobson plan) a plan put forward by its former official Bernstein, who wished to transform the Fund into a bank with very flexible transaction conditions, but whose proposal emphasized the need to establish a mechanism which would make it possible for some countries which have constantly been realizing surpluses in their balance of payments in the recent past (some European countries, and primarily West Germany) to grant credits through the Fund to deficient countries, i. e., to those which possess reserve currencies — Great Britain (which has already been granted a credit by the Fund) and the United States (in view of President Kennedy's statement that the United States will use its quota in the Fund amounting to 4.3 billion dollars). The reform suggested by Bernstein can be carried out without modifying the Fund's statute, by implementing Art. 7, which authorizes and enables the Fund to raise loans in countries whose currencies are in short supply.

The proposal made by Bernstein and by the Fund Management does not refer so much to the effective as to the stand-by credits similar to those granted recently by the Fund. The countries which may appear as the Fund's creditors within the mentioned mechanism are the six membercountries of the European Common Market: Japan, Canada, Sweden, Austria and even Switzerland, which is not a member of the fund and with which a separate arrangement has to be made. As can be seen, the countries which have taken part in crediting Great Britain are taken into account. It is clear that, in addition to the countries mentioned above, the scheme for granting stand-by credits to the Fund outside the quota system includes the United States and Great Britain. However, in the present conditions, their share is of a formal character.

The plan submitted by Jacobson was adopted in principle at this year's Assembly of the International Monetary Fund held in Vienna in September, but not without certain reserves. The French delegate, Baumgartner, and Dutch delegate, Holltrop, supported the view that the countries taking part in the scheme of granting extra credits should be consulted on the granting of these credits. This would mean that a group of countries outside the Fund would be given the right to decide on the use of such funds, which would lessen the importance of the Fund Management and detract from the principle of universality. The German delegate, Blessing, corrected this view by emphasizing that, although the new mechanism should not be automatic in character, the creditors should not be given the right to veto every individual credit.

Finally, the Fund's Assembly agreed by the middle of December a detailed plan should be worked out on the mechanism and the granting of credits from the funds obtained from stand-by credits described above. It was recommended at the same time that the countries taking part in the scheme should harmonize their internal legal provisions within a year, so as to be able to implement it.

Jacobson's plan on financing outside the quota system is obviously the concern of the developed countries themselves. This was so obvious that the French delegate to the Assembly, Baumgartner, demanded that the entire system should be excluded from the Fund and become the responsibility of OECD. This recommendation, more over, would indirectly benefit the underdeveloped countries, since they are also interested in maintaining the convertibility and stability of the

reserve currency system and, consequently, in protecting these currencies. It appears that the member-countries of the International Monetary Fund hold that the means made available to the Fund by the quota system are sufficient to cover the needs of the underdeveloped countries in case of a balance of payments crisis, and that for financing of this kind, no additional sources are necessary. In this connection Heilperin's view that the underdeveloped countries need more fresh capital than liquid assets, should be mentioned. The part of the Vienna debate devoted to the problems of the International Bank Reconstruction and Development showed that certain changes in the methods of financing economic development are forthcoming. The President of the Bank, Eugene Black, said that a large number of countries are no longer in a position to raise conventional credits, since their earlier debts are

so high that they cannot guarantee the payment of new conventional credits, which the Bank has so far granted at a comparatively high interest rate and relatively short terms of repayment. The postulate of the present-day world is to adopt financing through loans without interest, to be granted by the International Development Association (IDA), for this is the only type of loan which does not endanger the balance of payment of the countries greatly burdened with conventional loans. In the immediate future, the Fund resources will be used more than in the past for the granting of credits to the developed countries whose currencies serve as reserve currencies in the system of the gold and foreign currency standard, whereas the Bank, with its system of conventional loans will, at least for some time to come, be used to a smaller extent as a source of granting loans to underdeveloped countries.

LESS OPTIMISM OVER WEST EUROPEAN BOOM

By Dr. P. MIHAJOVIĆ

TOWARDS the end of October, representatives of prosperous European enterprises met in Rome to diagnose economic developments in Western Europe and prognosticate their future course.

A cautious attitude, devoid of optimism, prevailed throughout the conference, particularly when the prospect of future economic movements were under review. This lack of optimism, however, was explained as resulting, not from any impact of the recent political events, but from the slowing down of the boom in Western Europe. Even the Federal Republic of Germany, a country which has not known stagnation for a number of years, is now beginning to show signs of concern over her "falling monthly rate of increase". As for Great Britain, it is well known that she has been solving her financial difficulties by artificially retarding the development of her home production, which is exactly what happened in the summer of 1961.

Weakened Influence of Political Events

The summer months of 1961 saw a deterioration of the world political situation. This is not only due to aggravated East-West relations but also to the outbreak of crises in the countries struggling against colonialism and imperialism.

Formerly, political events were strongly reflected in the course of economic developments. To exemplify this we need only recall the Korean conflict and the Suez crisis, and their repercussions in the economic field. It was, therefore, to be expected that much of what happened then would occur again. But this time current political events exerted only a very mild influence on the world economies. The indifference and inertia now displayed in the pace of political developments are explained chiefly by the fact that the capitalist countries do not assess the current political tension as being dangerous, and by the changes which have taken place in world armament. The traditional reaction of the economies to the dangers of war in terms of increasing stockpiles, the urging of augmented state supplies and increasing production of what

is known as conventional armament — have, in a certain sense, become obsolete and unnecessary, in view of the invention of new weapons. Except for some incidents of little significance such as the moderate rise in gold prices at the time of the Berlin crisis in the middle of this summer, there has been nothing to indicate that the nervousness caused by the rising danger of war has in any way affected the West European economies.

Slowing Down of the Boom

A slower rate of economic activity, man power as a bottle-neck in production, and financial equilibrium are problems which, rather than political developments, are the chief preoccupation of the West European countries.

For nearly three years, the intensive economic activity prevailing in West Europe has been primarily reflected in the powerful growth of industrial production. Since this spring, however, the rhythm of production has been gradually slowing down. It is still, in general, expanding, but there are also examples (as in Great Britain) which show that industrial production is actually not increasing but stagnating at a certain level, or recording considerably lower rates of increase.

The situation on the markets has changed. The seller's market is increasingly giving way to the buyer's. The struggle for markets is reflected in more favourable terms of export, improved quality, a reduction in some prices and a certain pressure on profit rates. An important factor is the liquidation of reserves, a phenomenon most apparent in the rapidly falling steel product reserves. And judging from periodical inquiries in industry, the current trends on the market are not expected to change to any noticeable degree in the coming period.

As to the changed situation, from the point of view of the boom — not a long-term one — it has been brought about by a change in the intensity of the demand on the market.

What in recent years has especially favoured the high boom and what has most stimulated economic activity in all West European countries has been a powerful investment policy. Of all forms of demand, the demand for investments has been the greatest. It was this lively investment policy which enabled the rapid growth of the capital goods industry and of some raw material industries, and through these of the rest of the economy.

In a boom cycle it is possible to distinguish two kinds of investment: investment in the expansion of the productive capacities and investment in rationalizing the process of production. In the initial stage of the boom, when production has not yet attained the limits of its physical capacities, the former are the dominant kind of investment, but when the boom enters the culminating period, after which comes the period of decline, the latter kind of investment are given priority. An analysis of the current investment surge reveals that it has lately been dominated by investments of the latter kind and that investments have stood high, in spite of the fact that the West European economies had a surplus of unused capacities. The west European economies have lately passed through a period which was marked by a new division of labour (often on an international basis), a rationalisation of the process of production, the introduction of more up-to-date methods with the ample utilization of electronics, automation etc. From the beginning, the course adopted in the investment policy was to invest less in the expansion of the productive capacities, and to invest more in increasing competitive strength on the markets, by improving the quality of the products, cutting down expenses and alleviating the effects of the shortage in man power. In addition to this further encouragement to investment construction came with the creation of the Common Market, as it increased the interest of individual major enterprises in member-countries in the investment capacities in other countries of EEC.

The investment surge, however, has now lost much of its former strength. This is probably the effect of the autonomous cessation of the investment cycle, which can be considered to be normal. The currently less favourable prospects for further marketing however have likewise contributed to the decline in investments. Inquiries concerning the future development of the economy have nearly all revealed a postponement of investments, the cutting down of earlier projects, and in some cases even the cancellation of planned programmes. This would suggest that economic development in general is heading in this direction, and that the boom in Western Europe will not soon attain a level similar to that of 1959-1960.

Other forms of individual and state consumption lagged behind investments, although they too played a definite part in fostering overall economic expansion. The demand from abroad, i. e., exports which in the course of 1959 and 1960, also provided, in some countries such as France and Italy, as powerful an impetus to the boom as the investments demanded. In the second stage of the present boom cycle, however, export expansion has slackened. The most eloquent example is provided by Great Britain, whose exports are inadequate to secure the inflow needed to avoid periodical financial crises.

One of the reasons adduced for the slowing down of industrial production is the shortage of man power. In nearly all West European countries, West Germany in particular, unemployment has been reduced to a minimum figure, ranging below or about 1% of the total man power. The number of available jobs is in excess of the number of unemployed. West Germany and other countries are importing labour power on a large scale — chiefly from the Mediterranean countries: while Italy, a country with long-standing latent unemployment in her southern agricultural provinces, is now beginning to feel a shortage of ordinary unskilled as well as skilled man power. If this trend continues, Italy will soon find herself facing an acute shortage of man power for the first time in her history. The shortage of labour is quoted as being one of the reasons for the intensive investment policy, which is aimed at removing this bottle-neck. On the other hand, the shortage of labour guarantees a continuous rise in wages, and this is reflected in a general increase of individual consumption. This has been especially apparent this year, when despite the reduced rate of increase in economic activity, individual consumption has gradually but steadily been growing. Capitalist enterprises have made the increase in wages a pretext for raising the prices of their commodities, and this explains the fact that certain prices are still going up, even though the boom is on the decline.

Financial Policy as a Factor of the Boom

The current economic situation has caused a certain loosening of the restrictive credit and monetary policy, and has increased the liquidity of assets. An important exception is Great Britain, where the restrictive policy adopted in the summer of 1961 is still in force. This is explained by Britain's special position. Throughout the post-war period, she has continuously been forced to choose between financial stability and economic expansion, and this means that she has been able to maintain her financial stability only through renouncing a faster rate of economic development within the country. Thus, while industrial production, building activity and economic activity generally were expanding, her balance of payment deteriorated noticeably, owing to slow export, increased import, and outflow of capital. In 1961, Britain decided to raise her rate of discount and to restrict credits, and thus check home production in order to "save" her reserves and the pound, to free goods for export, to cut down the needs for import, and to draw capital back to London again.

On the other hand, most other West European countries have greatly improved their financial position in the past few years. They have accumulated substantial currency and gold reserves, and secured a surplus in their balances of payment. Thus, they are now able to increase their share in international financing and in the crediting of third countries. This particularly applies to West Germany, which has a structural surplus of export and a large influx of foreign capital. European currencies are convertible and stable. Although West European countries have somewhat increased their imports this year, such increase has only mildly been reflected on the trade of countries producing raw materials, for it is a consequence of the creation of the Common Market, and of the consolidation of mutual ties between individual member — countries in the process of integration.

Lack of Influence of American Recession on European Boom

Finally, it must be stressed that the West European boom is less and less affected by the USA. It is well-known that in the early post-war years, the influence of the American boom was strongly felt in the European economies. During the last two American recessions however, Europe succeeded in ensuring the autonomy of its economic development and in immunizing itself against them. The most the American recessions succeeded in producing in Europe was a certain stag-

nation which however contained no sign of decline, recession or deterioration of major proportions.

The 1960–1961 recession produced few repercussions in Europe. The motor industry suffered most, as the exports of cars to the USA fell abruptly, causing European producers considerable losses. No major disturbances were recorded in any of the other industries. Nor are there now, at the moment when the USA is emerging from the recession, any visible signs to indicate its positive influence, for while America is speeding up her economic activity, Europe, on the contrary, is slowing down its boom.

COMMENT

ALGERIA: OPTIMISM AND CONTRADICTIONS

ALTHOUGH coinciding with brutal measures of reprisal against the Algerian people who, on the occasion of the seventh anniversary of the beginning of their struggle, re-affirmed their loyalty to the Liberation Movement and to the aims of the Provisional Government; with the persecution and maltreatment of Algerians in Paris and other towns of the Metropolis; and with the hunger strike of Algerian prisoners confined in French prisons under conditions which themselves are a severe condemnation of the French authorities — the current optimism over the possibility of imminent negotiations on the recognition of Algeria's independence is based on substantial foundations.

First: apart from expressing the perpetual readiness of their people to solve the Algerian problem by negotiation, the latest statements by Benkhedda, Prime Minister of the Provisional Government, Krim Belkassim, Vice Premier, and Saab Dalam, Foreign Minister, and contain a number of new appraisals, views and suggestions which provide a realistic basis for a common language between France and Algeria during negotiations — which could begin at once — and for a constructive agreement acceptable to both sides. The Provisional Government's readiness to consider de Gaulle's ideas on self-determination with the maximum goodwill; its conviction that a more effective and quicker procedure to lead to the establishment of independence could be applied; its understanding of the problem of the future position of French citizens in Algeria and of France's interests in the Sahara — reveal that the Provisional Government's representatives have once again evinced statesmanlike wisdom and a sincere desire to be a constructive partner in the talks.

Second: in the course of his latest tour of France, de Gaulle on several occasions referred to Algeria in a language which outlined somewhat more precisely his present ideas on the solution of the Algerian policy — which is an encouraging fact in view of his former vague and contradictory Algerian policy. De Gaulle's recognition that the Algerian people are unanimous in their support of the Provisional Government and that self-determination can have only one result: independence (instead of the previous variants: Frenchifica-

tion and association), reveals a notable advance in the direction of a more reasonable and more realistic understanding of the Algerian problem.

These are realistic arguments for optimism. On the Algerian side, there are no obstacles to the talks, but a maximum willingness to direct them towards a definitive agreement. The French side, for its part, has agreed to negotiations and has renounced, at least in public, any precondition, finally acknowledging what she has hitherto rejected in different ways: the Algerian people's refusal of half-way solution and their demand for full independence and the recognition of the Provisional Algerian Government. In a situation like this, it would be quite logical that the Franco-Algerian talks should start immediately, and that one of the most painful disputes in the post-war history of international relations should be eliminated in the near future, in the interests of a free and independent Algeria and of a France which would then be able to approach her more immediate problems; as well as in those of world peace.

But this does not mean that the obstacles have all been removed and that conditions for the Franco-Algerian talks (the fourth attempt so far, following those of Meulin, Evian and Ligrin) are not subject to certain reserves. For it is hard to believe in the complete goodwill and readiness of the French Government to negotiate, without a radical change in its attitude towards Benbela and his associates. It is indeed paradoxical that while preparations are being made for negotiations with the Provisional Government, members of this Government are kept in prison and treated as criminals.

Today, as so often in the past, the world sees de Gaulle as a man who, though more slowly and less consistently than might have been expected, has brought about a notable evolution in the attitude of official France towards the Algerian problem; but also as a man who, in France herself, has found himself between the hammer and the anvil: between the threats of the colonialist conspirators of OAS and the pressure of public opinion, which demands more severe measures against the extreme colonialists, and the immediate establishment of Algeria's independence.

R. P.

BASIC PRINCIPLES OF PENAL SANCTIONS

By Andrija PEJOVIĆ

The penal system of new Yugoslavia is characterized by dynamic development. It is linked with the rapid advance of the socialist relations and social democratization on which our social system is based. These social changes have led primarily, to an increasingly strong social affirmation of human personality and to the rights of the individual, including his personal, economic political cultural and other rights, as indispensable elements of the political structure of society. This process is reflected in the treatment of the individual as a penal subject. In the postwar development, significant changes were periodically made in the system of penal norms, resulting in the gradual strengthening of the penal protection of citizens, of personal and social property, of the social system, and of the revolutionary achievements which are the pillars of the new community of our people.

With the periodical modifications of the penal law, important changes were made in the field of criminal proceedings, notably in the system of punishment. It should be emphasized that the social movements and the changes in the social position of the individual in the course of this development, prompting the evolution of material and formal penal legislation, had a decisive influence on the character of the system of punishment, and the treatment of delinquents within this system, in which repressive and deterrent measures were replaced by social, educational and reformatory measures, based on the principle of individualization, humane treatment and respect of the rights of convicts according to the norms in force. Former society punished some in order to deter others. In a society in which unity and homogeneity on the basis of the development of socialist relations are in progress of achievement, the emphasis on deterrence as the "ultima ratio" of punishment is losing its meaning.

Thus the creation and development of our penal system in general, and the infliction of punishment in particular, is closely linked with the development and consolidation of revolutionary achievements, with the creation of new personal and social attributes, moral and material, with the growing confirmation of the personality of citizens and with the corresponding conception of the socially dangerous character of certain actions, on the one hand and, on the other, with the emphasizing of educational and reformatory elements as the primary aim of punishment and other penal measures.

Naturally, our penal system — as the reflection of society's attitude towards criminal acts cannot release a convict from moral censure by the public, which naturally condemns crime as an offence against society. This, and deprivation of liberty, or its limitation by separating the convict from his social environment — make this social sanction a punishment which must hit the delinquent most strongly, and does so. On the other hand, the re-education of convicts, while

treating them as humanly as possible, is aimed at making them understand this, so that they will, when liberated, conform to the requirements of social morals and discipline.

From this approach to penal sanctions and measures determined theory and practice have necessarily resulted, establishing the principles of legality, humanism and the individualization of punishment, as the basis of our penal and reformatory system.

The Principle of Legality

The principle of legality is expressed in the view that only punishments, precautionary measures and educational and reformatory measures which are prescribed by law and pronounced in the verdict can be applied to convicted persons. Hence, the stressing and respecting of this principle in the infliction of punishments is a logical continuation of the principle of legality in criminal proceedings (*nullum crimen, nulla poena sine lege*). Only punishments so pronounced give the verdict full legal power and oblige the organ which actually inflicts punishments to administer the sad punishment.

Another essential element of this principle is the obligation to respect and protect the right of convicts. The principle contained in the Programme of the League of Communists of Yugoslavia, according to which nobody shall have the right to impose on a citizen of Yugoslavia any other obligations than those established by law" also refers to convicts. In the legal norms it is expressly stipulated that a convict, while serving his term of imprisonment or while undergoing other punitive measures, may be divested of his rights, or his rights may be limited, in as much as this is part of the character and intention of the penal sanction involved. The principle of legality thus interpreted gives convicts the opportunity to demand the protection of their rights if violated while it obliges the administration of corrective institutions to respect the stipulated rights of convicts. This convicts should not regard themselves lost and isolated from the social community, in living conditions without rights? On the contrary, convicts, although having a special status in society, are given important and extensive rights, which are guaranteed by the social community.

Humane Treatment of Convicts

A principle closely linked with that of legality is the principle of the humane treatment of convicts. It includes respect for their human dignity and the protection of their physical and mental health during the term of their punishment. This principle is based on the assumption that convicts can be reformed and returned to society re-socialized and enabled for creative activity. To achieve this creative integration,

the convict should be returned to liberty in good health and not disabled either physically or mentally.

Individualized Infliction of Punishment

The principle of individualized infliction of punishment is that, during the term of punishment, efforts should be made to find out the most adequate measures, methods and forms of treatment to achieve the re-socialization of convicts as soon and as fully as possible. To attain this aim the character of the convict is studied from the very beginning of his term of punishment. This study includes an analysis of the convict's life before he committed the criminal act, of this family and other socio-legal influences, with particular stress on his physical properties; his behaviour during the legal proceedings, and various other circumstances which may exercise a direct or indirect influence on forming delinquents, and which are of importance for the determination of corrective measures and for the choice of further proceedings and, in general, for the appropriate psycho-pedagogic and other aspects of the treatment of convicts. Numerous experts are engaged in this field: educators, psychologists, social workers, penologists, psychiatrists and physicians. The practical side of the implementation of this principle is seen in the solution of many questions. First of all, the convicts are classified. Then they are distributed to separate groups in which such measures and treatment are applied as answer best the preconditions for their resocialization, including submission to discipline, and to other conditions conducive to the achievement of the final aim, which is re-education. Once these problems are solved, the convicts are sent to corrective institutions of a special type or to suitable departments in such institutions or to a separate group within such departments, to serve their term.

The principle of individual infliction of punishment calls for convicts to be treated according to their individual constitutional attributes, both from the biological and psychologic point of view. The exercising of a determined influence on the character of their gradual transformation, individualization must not be understood as the different treatment of different convicts, but as a form of differentiated treatment of one and the same convict, depending in the degree of success reached in his improvement and re-education at a certain phase during his term of punishment, and that achieved by the infliction of other penal measures.

It is being logically understood that the application and infliction of penal sanctions is made in the interests of society, in the sphere of both general preventive measures and the re-education of delinquents, the principle that punishment and other penal measures are carried out at the expense of the community, has been accepted and made law.

Obligations and Rights of Convicts

To put these principles into practice and to fulfil the purpose of punishment: the improvement and resocialization of convicts, legislation stipulates the obligations and duties of convicts on the one hand, and their rights on the other, while they serve their terms in corrective institutions.

Their obligations include submission to prescribed

discipline and internal order; maintenance of personal and collective hygiene; acceptance of food rations; obligatory walks; care for the property of the institution; correct behaviour; due respect for the personnel of the institution; and, finally, the obligation to work and to participate in other activities, in accordance with their (the convicts) rights and duties and with their psycho-physical potentialities. Failure to fulfil these obligations and duties, or to keep the prescribed order, entails disciplinary measures and reparation for intentional damage.

There are further items on the list of the rights of convicts. In addition to accommodation, clothing, footwear and food, (all of which must satisfy the requirements of hygiene), normal health protection and adequate working and physical conditions, the convicts are granted a number of other rights: the right to work and to be rewarded for the work performed, according to special rules; a day of rest every week; a rest of eight consecutive hours in the twenty-four, and a yearly holiday of at least fourteen consecutive days; as well as free health protection and social insurance in case of accident while at work or in case of vocational disease. Moreover, convicts are granted the right to receive official documents and to send written memorials to public authorities in order to protect their own rights and interests; to exchange letters; to receive visitors, mail and parcels; to send the money they have earned to their families or other dependants, or to others affected by their stay in the corrective institution.

In addition to these rights there are a number of facilities granted to many convicts, depending on their behaviour, which play an important role in the practice of infliction of punishments. These include the extension of the right to correspondence and the reception of visits; leave up to seven days to visit their families, partial or full utilization of annual leave outside the institution; periodical rewards for work performed, and the most important: release before the expiry of the term of punishment.

This survey of the rights and obligations of convicts throws full light upon the essence of punitive measures which involve deprivation of liberty. From these rights and obligations which regulate the status of convicts during their term of punishment, it appears that punishment entailing the deprivation of liberty in our penal system, has not only lost its essential characteristics in the classical sense, but is a proof that retaliation is not the aim of punishment. In fact, the latter is now a protective measure taken by society, by isolating the delinquent from his social environment. It involves a number of measures based on scientific principles tested in practice, which are applied for no other purpose than to improve delinquents and convicts by making them understand the anti-social character and the detrimental consequences of their acts, and thus to induce them, through this understanding, to accept the ruling social norms and to behave according to them in social intercourse, once they are set free. Translated into terms of sociology and other scientific disciplines concerned with the problems of the interrelation of the punishment and re-education of delinquents, the application in practice of all these measures concerning punishment involving the deprivation of liberty, which are based on full respect of the rights of convicts, constitutes the most adequate and effective method of resocialization, i. e. the social rehabilitation of convicts.

INTERNATIONAL RECOGNITION OF YUGOSLAV LITERATURE

By Erih KOŠ

THE award of the Nobel prize for literature to Ivo Andrić, this year, is a due recognition of this talent and the epic force with which he described historical events from the past of our country, as the Swedish Academy stated in making the award. But that the Academy should consider a writer from this country among the great number of candidates from many other domains of national literature, and that it could read works from a language group which is little known, is due to many circumstances, but especially to the fact that Ivo Andrić is a Yugoslav.

The reputation Yugoslavia has earned in the world, and the fact that during the last twenty years world attention has more than once viewed her wartime and postwar scene with interest and respect, are naturally important, and it is significant that the Yugoslav literature, after long isolation from the other parts of the world, within the narrow bounds of its own language group, has succeeded in breaking through this sound barrier in recent years, and in introducing itself to readers outside its own country through a number of translated works. The importance of these two facts is beyond doubt; but they are of a predominantly objective nature, and concern the environment in which the creator lives and creates. It would, therefore, be of greater interest to point out certain other elements: the growing tendency towards universalization in the culture of today, in which world literature is no longer a collection of separate national literatures, but their solid fusion; the distinctive note, colour and tone of our literature, especially as presented by Andrić, which contributes to the enrichment and variety of the general pattern of world literature today.

Small nations have sometimes contributed to European culture and literature out of proportion to their economic or military power, to their population or political significance. Thus, at the beginning of this century the Scandinavian countries set their mark on almost all branches of the current literature. It seems to us, however, that today, in our modern world, there is no longer a place for cultural hegemony or domination, for cultural championship won and lost alternately by various nations. The world of today is less and less inclined to endure the hegemony of one power, or of several, so that culture no longer moves along one or even two lines. The developments of today take place in a single world linked with numberless ties and communications, making it much smaller than it was before, and smaller than it is physically. There are no longer unimportant or forgotten countries or secondary cultures. Man has succeeded in soaring so high above his terrestrial abode that he can see at a single glance its whole physiognomy, with the characteristic features of the continents and the various countries. This also refers to some extent to the national literature which, with world literature as their unified background, mark the patterns and colours without which there would be no picture at all. Thus it should not be considered as a matter of surprise or mere chance that world recognition has been given to a

writer from a relatively small country, whose literature is comparatively little known. Even so, it redounds to the honour of the Swedish Academy to have acknowledged this tendency of cultural development by this year's award and it seems to us symptomatic that an African poet and a South American writer appeared side by side with Andrić as claimants to the palm.

Every literature, once it has reached a certain level of development and ceased to be preoccupied with the problems of its own growth, must necessarily believe, if only for the sake of its own progress, that it will be heard by somebody else, outside the walls of its own house; just as a writer, to be inspired to write, must be convinced that somebody will wish to read him. When a literature has attained this stage it is, naturally, faced with new tasks and duties, with greater responsibility and, above all, with the self-critical question of what it can offer and what it is expected to give to other peoples and readers. The award of the Nobel prize to Andrić has made it easy for us to find an answer to this. What we can boast of is not only freedom, which has often been mentioned in connection with the climate in which our literature is developing, for freedom is not a qualification, but the precondition for every kind of creative work, including literature; just as the good, fertile soil which produces rich crops does not leave any trace in the fruit. Human content, a new, more progressive attitude, a broader outlook and a deeper analysis, a better knowledge of life understood not only as personal experience, but as a philosophical premiss, coupled with artistic treatment, enhance the value of literature. In Andrić all these conditions seem to have happily coincided.

The people in our country have experienced three bloody and terrible wars in the course of a single generation, as well as two revolutions, a national one and a social one, within a relatively short interval, so that they have several times been roughly awakened from romantic enthusiasm; and have seen empires and social systems break down overnight, and new forces and hopes spring forth, grow, and develop, from apparently nowhere. They have come to know the bitterness of defeat, the price of glory, the rapture of victory, and transitoriness of the cult of personality. Their own destiny and that of their country, its geographical situation, and the will of history, have repeatedly led them and their country to outposts and vanguard positions in the world, could not but provide our people with the experience which renders it possible for them to read human nature and destiny more clearly, more deeply and on a broader plane, and to look upon man's position in the world today from the humanist and progressive point of view, and in the critical light of the ideals known and accessible to men in our contemporary world.

Ivo Andrić has shared this destiny. In his early youth he knew the First World War and prison, which was as in the case of Gorki, his university of life, where he grasped the whole greatness and misery of man

and life. His serenity which is reflected in almost all his stories is nothing other than the spiritual and moral equilibrium which he preserved in these storms. In violent upheavals, when social systems and personal lives were shattered in our country, he remained loyal to his humanist principles, even in these historical upheavals, and preserved his faith in the continuity of human history, in the interrelation and constancy of human aspirations for something new and better. And even the telegraphically short sentence of the official statement issued by the Swedish Academy about the epic force he has shown in depicting the past of our country must mean nothing other than faith in human effort, creation and will, when analyzed in detail. Empires are destroyed, and around his Bridge on the Drina generations follow one another, families decay, men are ruined; but in Andrić's book all this is bound within the same cover: in his vision all events are caused by one another and grow from one another, but all this is given sense and is bound together by human achievement: the white stone bridge linking two different banks, bridges misery and misfortune, and carries men beyond time. In another of his novels, "The Travnik Chronicle", two lonely men, of quite different character and education — two consuls, whose countries are at war and who are declared enemies — are attracted to one another out of human feeling, warming not only each other but also the readers with their humanity. In "Miss" Andrić judges inhuman selfishness and passionate egoism which, feeding on itself, destroys and starves itself to death. His "Accursed Courtyard" is, in fact, a poem of great human dreams shattered in their conflict with life, though not in a miserable or ridiculous way, but in a sublime and tragic manner, which ends in defeat, but is suggestive of so much greatness that it is transformed into victory. His numerous short stories, depicting many destinies in the long interval stretching from the remote Turkish past to our own days, are permeated with the same faith in humanity, which owes much of its constancy and firmness to its refusal to be blind to the tragic aspects of life. It is Andrić's faith in life, in real, actual life, his great personal experience and his philosophy, stoical, perhaps cynical, but nevertheless good and noble, that has enabled him to tell his stories and novels with unusual epic power, at a time when many European writers and readers, surfeited with fiction of all kinds, find that there is nothing more to tell, that all the stories have already been told, that men no longer find romance, and that there is no real, human experience of life which deserves to be moulded into a literary form and told calmly and articulately.

On learning that he was awarded the prize, Andrić declared modestly that this high distinction was deserved by many, but it so happens that the prize can be awarded only to one person at a time. We may say that many are awarded prizes; but he has indeed deserved it.

Yugoslav Literature Abroad

FROM 1945 up to the present, about five hundred works by Yugoslav writers have been published abroad. In 1946, the first postwar year, there were twenty-two, in 1947 twenty-seven and in 1948 thirty-two. After this short period of activity a decline followed (fifteen in 1949, four in 1950, six in 1951,

and only one in 1952.) The situation improved to a certain extent in 1953 (twelve translations) in 1954 (eleven) and in 1955 (fifteen). But great progress was not marked until 1956, when the number of works published reached sixty-three. In 1957 it increased to sixty-seven, and in 1958 reached the record of seventy-six. In 1959 there was a certain decrease (sixty three translations), a tendency that continued in 1960 (forty-seven translations). These figures, analyzed according to the data on the number of works published in various countries, show that the East-European countries are at the top of the list, with Czechoslovakia far ahead. In the periods from 1946 to 1948 and from 1956 to 1958 the growth of the number of translations of our literary works was chiefly due to the general increase in the number of translations in these countries. However, this proportion was considerably changed in 1959 and 1960. While formerly, except for the dull period from 1949 to 1955, the bulk of editions went to East European countries, the relation was reduced in 1959, and more so in 1960. This year, of about thirty publications listed so far, only a little over a third have gone to East European countries. Although the total number of translations has not increased, it is significant that the number of the countries interested in Yugoslav literature is steadily growing. In 1958 there were seventy-six translated works in only eleven countries, while in 1961 about fifty translations have been contracted for in sixteen countries. Yugoslav writers and editors are to sign another fifteen or twenty new contracts with publishers in France, Italy, West Germany, East Germany, Great Britain, USA, Poland, Czechoslovakia, Norway, Denmark, Finland, Hungary, Bulgaria, Spain, Portugal and Argentina. The figure mentioned does not include the U. S. S. R. and other countries, predominantly African, Asian and South American, which are not subject to international copyright obligations, so that we often learn of their editions only after they have been published.

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THE YUGOSLAV GOVERNMENT'S NOTE TO THE ALLIED COUNTRIES IN THE SECOND WORLD WAR

Following on the unlawful arrest in West Germany of the Yugoslav citizen Lazar Vračarić, on November 7, the State Secretariat of Foreign Affairs handed notes to all heads of diplomatic missions of the countries that participated in the battle against Nazi Germany, within the framework of the anti-fascist coalition during the Second World War. Notes were also handed to the heads of the diplomatic missions of the states that contributed to this fight against the Third Reich.

We are publishing the full text of the note.

THE Secretariat of State for Foreign Affairs of the Federal People's Republic of Yugoslavia present its compliments to the Diplomatic Missions of States which were, in the course of World War II, at war with Germany and of States which associated their efforts with them in the struggle against the Third Reich and has the honour to communicate the following:

The Yugoslav national Lazo Vračarić, who was on a business trip in the Federal Republic of Germany, was arrested by the organs of the Federal Republic of Germany at Munich on 1 November 1961. From a statement given by the competent officials to the lawyer of the Consulate-General of the Federal People's Republic of Yugoslavia in Munich it has emerged that the arrest was made on the basis of a warrant issued by the occupation authorities of the Third Reich in 1941 and renewed, in 1961, by the judicial organs of the Federal Republic of Germany. According to this warrant Lazo Vračarić is accused of having taken part, in 1941, in an attack against occupation soldiers in Zagreb, in which two members of the occupation forces were killed.

In connection with the arrest of Lazo Vračarić, the Secretariat of State for Foreign Affairs wishes to draw the attention to the following:

The aggression committed by the Third Reich against a number of European countries, including Yugoslavia, was condemned as a crime against peace by the Nuernberg judgement. The leaders of the Third Reich responsible for this crime were proclaimed as war criminals by the same judgement. Consequently, the German occupation army found itself in the territory of Yugoslavia and other occupied countries as the perpetrator of an international crime and every act committed by the invaders or resulting from the occupation must be considered as illegal and without any legal force whatsoever. On the other hand, every action undertaken against the invaders was an act of legitimate defence of the people of an occupied country. During the war itself, the inhabitants of occupied territories were called upon by the leaders of the Allied Nations to do everything in their power to inflict harm on the Third Reich, and in this respect they received encouragement and help. Therefore, in no case can the jurisdiction of German courts or other German authorities be recognized over the actions of the inhabitants of occupied countries and other nationals of the Allied Nations against the members of the German army and authorities of the Third Reich in the course of the war.

This principle was proclaimed in the Control Council Law for Germany No. 4 of 1945, which in Article III, paragraph C, exempted the members of armed forces and citizens of the Allied National from the jurisdiction of German courts. This was one of the measures which the Allied Governments took in conformity with Article 107 of the Charter of the United Nations and which are, consequently, in accordance with positive international law.

Jurisdiction over the members of armed forces and citizens of the Allied Nations for actions undertaken against the German armed forces and German authorities in the course of World War II has never been transferred to the authorities and courts of the Federal Republic of Germany.

It is generally known and also confirmed by the Nuernberg judgement, that the German occupation during World War II was not only the consequence of an international crime against peace but that it was, even while it lasted, actually a series of war crimes and crimes against humanity. The peoples in all occupied countries were forced to defend themselves with all the means at their disposal and to fight against the perpetrators of these crimes. The Allies paid tribute to the members of resistance movements who lent considerable assistance to the Allied cause, either by means of large-scale actions undertaken by resistance movements or isolated individual actions. Lazo Vračarić fought for the same cause as the fighters of all resistance movements and against the same enemy of all mankind. The act of his arrest, directed against him because of this struggle, affects all members of resistance movements of World War II in all countries. This very act, based on an illegal decision dating back to the time of the occupation, which is in itself devoid of any legality, point to the renaissance of the spirit against which the Allies and their followers had fought.

For these reasons, the Yugoslav Government deems it necessary to draw in all earnestness the attention of all the countries which fought on the side of the Allies during World War II to this action of the authorities of the Federal Republic of Germany, which equally threatens the interests of all the Allies and their citizens who performed their duty in various forms during the war, and expects that, for their part, they will take resolute steps with a view to preventing the legalizing of the practice in the Federal Republic of Germany whereby citizens of Allied Nations could be molested or prosecuted on the basis of acts from the time of the occupation and to be held accountable for their actions in the struggle against the Third Reich during World War II.

The Secretariat of State for Foreign Affairs avails itself of this opportunity to renew to the Diplomatic Missions concerned the assurances of its high consideration.

CHINA

AUTHORS: SONJA DAPČEVIĆ—OREŠČANIN
AND PUNIŠA PAVLOVIĆ, EDITION: "KULTURA",
BELGRADE 1960, 260 PAGES.

CHINA is a particularly attractive subject in contemporary journalism. Some are attracted by the Chinese revolution, whose distinctive features surpass the usual patterns; others are interested in the economic transformation on that gigantic area which is inhabited by a quarter of mankind; still others analyse the social and economic components of theory and practice, the liquidation of differences between intellectual and manual work and similar phenomena; while some are interested in the temporary and potential differences between China and the Soviet Union; another group finds an abundance of material for analysis and diagnosis in the relations between China and her Asian neighbours; some study various aspects of her foreign policy and her attitude towards the most important questions of the present day world, etc. Each of these subjects gives ample material for a dynamic study.

The book by Sonja Dapčević—Oreščanin and Puniša Pavlović considers all the above-mentioned themes.

Their monograph on China presents all the more important facts, all the essential characteristics, events and major problems of this country which has existed continually since the XIIth century B. C. up to the present phase of "leaps and bounds", with stress on current events. The most prominent among these are the problems arising from the reconstruction of the country after the armed revolution and the liberation, the forms of restricting private capital, the agrarian policy, the implementation of the plan on collectivisation, the first and the second five year plan, the motives and the consequences of the policy of "leaps and bounds" in industry and communes, etc. These are certainly the most interesting and the most valuable chapters of the book — a window looking onto contemporary China.

The authors have evidently had at their disposal an abundance of material, but they have, quite justifiably, made most use of that from China herself. The dangers which cannot be avoided whenever one bases one's writing on official material — or that which has been sanctioned and approved, in one way or another, for publication — have been largely overcome, owing to the writers' knowledge of the subject, their scientific method of dealing with it, and their sound personal criteria. It can safely be said that book on China will take a prominent place in our home literature about foreign countries, and, being written by the members of an eminent Yugoslav scientific institution (the Institute for International Policy and Economy in Belgrade), it will evoke great interest in foreign scientific and other circles which study contemporary China.

Points from the Press Conferences

Drago Kunc, spokesman of the Yugoslav State Secretariat for Foreign Affairs, held press conferences on November 3 and 10, for home and foreign journalists, at which he answered questions concerning current international affairs.

November 3

Explosion of the fifty megaton bomb. „Yugoslavia has always been against all atomic tests, regardless of who carries them out and with what motive. Yugoslav representatives have adopted this attitude because they consider that such tests not only endanger the health and the lives of the present and future generations, but because they poison international relations, incite the dangerous arms race, and intensify the extremely harmful strong-arm policy. All this seriously endangers peace in the world. The Yugoslav government, in keeping with this attitude, is exerting efforts for the adoption of the conclusions expressed in the Declaration of the Belgrade Conference of non-aligned countries, which demand the suspension of all nuclear weapon tests. This moratorium should be observed by all countries. The Declaration of the Belgrade Conference also stresses the need for the immediate holding of talks, either at a special conference, or within the framework of general disarmament talks, in order to reach an agreement on the definite suspension of nuclear and thermonuclear tests. In keeping with this, Yugoslavia gave her full support in U.N. to the above-mentioned demands, and together with India, the United Arab Republic, Ghana, Ethiopia and Nepal, she submitted a draft resolution to that effect, which was adopted by the Political Committee yesterday. Following this same policy Yugoslavia, together with 86 nations, voted for the resolution of eight countries on the sending of an appeal to the Soviet government to refrain from the explosion of the fifty megaton bomb. In view of all this we express our deep regret and serious concern over the renewal of explosions and the fact that the explosion of the fifty megaton bomb was carried out."

Situation in South East Asia. "We are concerned over the situation in South East Asia, and particularly over the pressure against independent Cambodia, whose policy has proved to be peaceful and constructive. This pressure only renders difficult efforts towards consolidating the situation in that part of the world."

Struggle of the Algerian people. "The celebration of the seventh anniversary of the Liberation Struggle of the Algerian People has proved their readiness to win the right to a free life. We should particularly like to stress the character of the manifestations and the constructive spirit of the Provisional Algerian Government, which is reflected in its desire for a peaceful solution of the Algerian problem."

Elections in Greece. "The elections in Greece and the giving of the mandate for the composition of a new government to Mr. Karamanlis are internal affairs of Greece and the Greek people. We are, however, convinced that our constructive cooperation with friendly Greece will be continued in the future."

November 10

Mr. Gromyko's visit. "I cannot confirm the statement of certain London papers about the date of the visit to Yugoslavia of Mr. Gromyko, the Foreign Minister of the Soviet Union, as this date has not yet been determined."

Herr Strauss's statement on the arrest of Laza Vračarić. "Her Strauss in his comment on the arrest of Laza Vračarić, tried to apply the term "war crimes" not only to numberless crimes committed by Hitler's occupation army, but also to the legitimate struggle of the people and patriots against these criminals. When this claim is made by a responsible member of the Federal German Republic,

it is a proof that the Vračarić case is not a "bureaucratic mistake". It is therefore the duty of all interested governments to be firm in their demand that the government of the Federal German Government should give full guarantees and take all the necessary steps to prevent the repetition of such a case."

Algerian problem. "Two positive elements are indicated so far: the expressed readiness to resume negotiations as soon as possible; and President de Gaulle's admission that the Front of National Liberation represents the will of the majority of the Algerian population. We hope that president de Gaulle will make use of the opportunity offered by the constructive proposals of the Provisional Algerian government. However, the news of the tightening of the regime in the prison in which Ben Bella and his associates are confined has caused surprise and indignation in Yugoslavia."

The election of U Thant. "We are happy that U Thant, a representative of a non-aligned country, has been elected Acting Secretary General of UN. As for the number of his assistants, the General Assembly has entrusted the Acting Secretary General with the decision on this matter. It is not only the number of assistants which is important, but also such composition and system of work as will ensure the best possible functioning of the Secretariat."

The Resolution of the African countries. "The Resolution of ten African countries against nuclear explosions is an important contribution to the efforts for the suspension of all kinds of nuclear experiments, regardless of where they may be carried out. The demand of the African people that their continent should not be used as a testing ground for nuclear tests is fully justified."

UN Resolution on the Moratorium. "It is characteristic that all the great powers, as well as such countries as Portugal and South Africa voted against the United Nations Resolution on the Moratorium for all nuclear weapons tests. This shows that the protagonists of the blocs are led by their bloc interests, taking no account of the world's opposition to nuclear experiments. The huge majority which adopted this resolution shows, however, the correctness of the policy of the nonaligned countries which were the supporters of the action for the suspension of nuclear tests."

Recognition of the Syrian Government. "The Government of the Federative Peoples' Republic of Yugoslavia has recognised the Syrian Government; and the notification of this took place on November 8."

Enver Hoxha's Attack. "One must pay tribute to the Albanian leaders for the consistency with which they play the role of professional provocateurs. Apart from that we cannot comment on the details of the speech which Enver Hoxha made in Tirana a few days ago, and which lasted four and a half hours, because we have not yet received its authentic text."

Of Vu Yu Chang's Slanders. "Vu Yu Chang, Vice-Chairman of the Society of Soviet-Chinese Friendship, has used the opportunity offered by a meeting in Peking to mark the forty-fourth anniversary of the October Revolution, to slander Yugoslavia in the traditional manner. He repeated the extremely malevolent slanders, which have already assumed the character of systematic provocations, revealing that this is no "ideological struggle", but a state policy. We know from experience that the Chinese leaders resort to such manoeuvres when they want to achieve other political aims."

Meetings and Talks

Official

FAO session in Rome. Dr. Slavko Komar, member of the Yugoslav Federal Executive Council and Chairman of the Yugoslav National Commission of the Food and Agricul-

tural Organisation, took part in the XIth session of FAO, which was held in Rome from November 6 to 8.

Mr. Leland Hayworth in Belgrade. Aleksandar Ranković, Vice-President of the Federal Executive Council and Chairman of the Federal Nuclear Energy Commission, had talks with professor Leland Hayworth, member of the US Atomic Energy Commission, in Belgrade on November 9. They discussed problems of cooperation in the field of the peaceful use of nuclear power, and the possibility of increasing this cooperation.

Charles Betlem in Belgrade — M. Charles Betlem, professor of the Practical School for Higher Studies in Paris and wellknown planning expert, was on a visit to Yugoslavia in the first half of November as guest of the Institute for Social Sciences.

Yugoslav Socialist Alliance

Delegation of the Socialist Alliance of the Working People in Rome. A delegation of the Socialist Alliance of the Yugoslav Working People, headed by Dr. Vladimir Bakarić, member of the Presidency, paid a visit to Rome from November 8 to 15. The delegations had talks with members of the Directorate of the Central Committee of the Socialist Party of Italy about current international affairs and problems of the international workers' movement.

The President of the Peoples' Congress of Uganda. Mr. Milton Obote, President of the Peoples' Congress of Uganda, paid a visit to Yugoslavia at the end of last month. He had talks with representatives of the Federal Board of the Socialist Alliance about various questions of interest to this young African country, which is to obtain its independence in 1962.

Association of Lawyers

William Douglas in Belgrade. Mr. William Douglas, judge of the Supreme Court of the USA, and an eminent lawyer and public worker, stayed in Belgrade from the October 28 to November 1, as guest of the Association of Yugoslav Lawyers. He gave a lecture on "Relations between the Legislative, Juridical and Executive Authorities in the USA", and he held a debate with well known Yugoslav lawyers. Mr. Douglas was received by President Tito.

Cooperative Union

Delegation of the Italian Cooperative Movement — A delegation of the Progressive Cooperative Movement of Italy, headed by its President, Giulio Chereti, recently visited Yugoslavia at the invitation of the Yugoslav Cooperative Union. The members of the delegation were received by President Tito on November 12th.

Yugoslav Army

Ivan Gošnjak in Indonesia — A delegation of the Yugoslav People's Army, headed by General Ivan Gošnjak, Yugoslav Secretary of Defence, left for Indonesia on November 13th for an official visit to the Indonesian Army.

General Jani in Yugoslavia. A group of senior officers of the Indonesian Army, headed by General Ahmet Jani, deputy Chief of Staff of the Indonesian Land Forces, paid a visit to the country at the beginning of November, as part of the provisions for maintaining contacts between the Yugoslav Army and the Military Forces of Indonesia.

Trade Union Confederation

Yugoslav agricultural workers in Morocco. Milan Pribić, President of the Central Board of the Trade Union of Agricultural Workers of Yugoslavia, paid a visit to Casablanca at the beginning of this month, where he took part in the work of the preparatory committee for the Conference of the Trade Unions of Agricultural Organisations of the Mediterranean Countries.

Negotiations and Agreements

Yugoslav-Guinean banking agreement. A banking agreement between the Yugoslav Foreign Trade Bank and the Foreign Trade Bank of Guinea was signed in Conacry on the 29 of October. The agreement provides for a trade credit for the delivery of Yugoslav capital goods to the Republic of Guinea on the basis of an agreement signed on October 31, 1960.

Agreement with OECD. An agreement on cooperation between the Federative Peoples' Republic of Yugoslavia and the Organisation for Economic Cooperation and Development (OECD) was signed in Paris on October 29 by Dr. Darko Černej, Yugoslav ambassador to France, and Mr. Torkil Kristansen, Secretary General of OECD.

Protocol with Poland. A Protocol on the goods exchange between Yugoslavia and Poland in 1962 was signed in Belgrade on November 2. It provides for a ten per cent increase over this year's goods exchange.

Economic negotiations with the Congo. Dr. Marijan Brečelj, member of the Yugoslav Federal Executive Council and State Secretary for Trade, and Mr. Jozef Lutula, Minister for Internal Trade in the Central Congolese Government, who is visiting Yugoslavia, on November 1 discussed the development of economic relations and the possibility of strengthening trade exchange between the two countries.

Industrial cooperation with Bulgaria. A group of Bulgarian experts for the machine-building and power industry visited Belgrade at the beginning of November. They discussed deliveries of installations for a sugar and cement factory and for a thermopower station as well as deliveries of tractors, lorry engines and other Yugoslav industrial goods to Bulgaria.

Political Diary

November 1 — The annual meeting of the Standing Conference of Yugoslav Towns which considered the problems of the further development of social self-government in the communes, ended in Niš. Edvard Kardelj Vice President of the Yugoslav Federal Executive Council, read a report at the meeting on the role, responsibilities and rights of the people's committees.

November 2 — Slavko Komar, member of the Federal Executive Council, informed the Committee for Economy of both Houses of the Federal Parliament of the measures taken to alleviate the consequences of this year's drought.

November 3 — Koča Popović, State Secretary for Foreign Affairs submitted a report to the Foreign Affairs Committee of the Federal Council of the Yugoslav Parliament on the work of the United Nations General Assembly and other topical foreign political problems.

November 3 — The Federal Parliament adopted a number of draft bills, reports from the Committee for Economy on the state of the craft industries, and draft proposals for legislation in the field of economy. The members also heard a report on a Yugoslav parliamentary delegation's visit to Denmark.

November 9 — Svetozar Vukmanović, President of the Central Council of the Yugoslav Trade Unions, presided over the first Yugoslav consultations on the problems of the catering industry.

November 13 — President Tito opened to traffic the Grdelica — Skopje section of the "Brotherhood-and-Unity" Highway, and addressed a mass meeting in Skopje, the capital of the Republic of Macedonia.

Diplomatic Diary

October 30 — President Tito received letters of credence from Mr Karol Prat, the new Hungarian ambassador in Belgrade.

November 2 — President Tito received Prince Norodom Norindet, the Cambodian ambassador, with whom he discussed the situation in South East Asia.

November 3 — President Tito received Mr. Asmaun the Indonesian ambassador at the latter's request.

November 6 — Gustav Vlahov, former ambassador in the State Secretariat for Foreign Affairs, was appointed new Yugoslav ambassador in Mexico.

Our New Contributors

ERIH KOŠ: Writer and Publicist, Assistant Director of the National Museum in Belgrade. He has published several novels and collections of short stories.

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